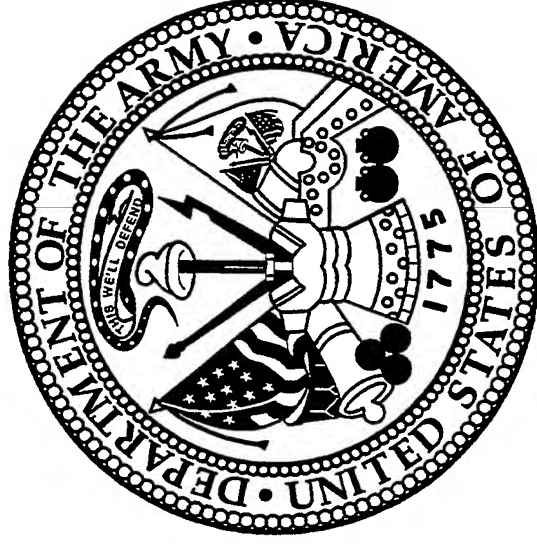


DEPARTMENT OF THE

ARMY

FY 1998/1999 BIENNIAL BUDGET ESTIMATES

Submitted to Congress, February 1997



19970304 014

MILITARY PERSONNEL, ARMY

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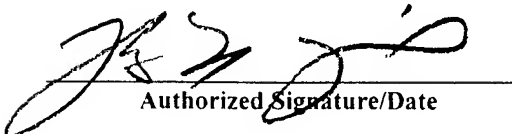
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DEPARTMENT OF THE ARMY
JUSTIFICATION OF ESTIMATES FOR FY 1998/1999

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SECTION 1
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--|----------------------|----------------------|----------------------|----------------------|
| DIRECT PROGRAM | | | | |
| PAY AND ALLOWANCES FOR OFFICERS..... | \$ 5,808,031 | \$ 5,826,230 | \$ 5,740,604 | \$ 5,957,677 |
| PAY AND ALLOWANCES FOR ENLISTED..... | 12,456,892 | 12,476,363 | 12,469,688 | 12,625,307 |
| PAY AND ALLOWANCES FOR CADETS..... | 35,495 | 36,903 | 38,679 | 39,876 |
| SUBSISTENCE OF ENLISTED PERSONNEL... | 768,609 | 1,045,188 | 1,036,081 | 1,069,423 |
| PERMANENT CHANGE OF STATION TRAVEL.. | 1,066,352 | 1,056,245 | 1,064,845 | 1,088,609 |
| OTHER MILITARY PERSONNEL COSTS..... | 199,602 | 207,381 | 179,360 | 182,036 |
| TOTAL DIRECT PROGRAM..... | \$ 20,334,981 | \$ 20,648,310 | \$ 20,529,257 | \$ 20,962,928 |
| REIMBURSABLE PROGRAM | | | | |
| PAY AND ALLOWANCES FOR OFFICERS..... | \$ 88,100 | \$ 73,121 | \$ 76,392 | \$ 79,319 |
| PAY AND ALLOWANCES FOR ENLISTED..... | 65,500 | 68,921 | 64,102 | 66,237 |
| SUBSISTENCE OF ENLISTED PERSONNEL... | 0 | 56,998 | 58,423 | 59,884 |
| PERMANENT CHANGE OF STATION TRAVEL.. | 8,000 | 8,000 | 8,000 | 8,000 |
| OTHER MILITARY PERSONNEL COSTS..... | 260 | 260 | 150 | 150 |
| TOTAL REIMBURSABLE PROGRAM..... | \$ 161,860 | \$ 207,300 | \$ 207,067 | \$ 213,590 |
| TOTAL PROGRAM | | | | |
| PAY AND ALLOWANCES FOR OFFICERS..... | \$ 5,896,131 | \$ 5,899,351 | \$ 5,816,996 | \$ 6,036,996 |
| PAY AND ALLOWANCES FOR ENLISTED..... | 12,522,392 | 12,545,284 | 12,533,790 | 12,691,544 |
| PAY AND ALLOWANCES FOR CADETS..... | 35,495 | 36,903 | 38,679 | 39,876 |
| SUBSISTENCE OF ENLISTED PERSONNEL... | 768,609 | 1,102,186 | 1,094,504 | 1,129,307 |
| PERMANENT CHANGE OF STATION TRAVEL.. | 1,074,352 | 1,064,245 | 1,072,845 | 1,096,609 |
| OTHER MILITARY PERSONNEL COSTS..... | 199,862 | 207,641 | 179,510 | 182,186 |
| TOTAL OBLIGATIONS..... | \$ 20,496,841 | \$ 20,855,610 | \$ 20,736,324 | \$ 21,176,518 |

- UNIFIED LEGISLATIVE BUDGET ITEMS INCLUDED IN THE FY98/99 ESTIMATES ARE: (\$000)

| | FY 98 | FY99 |
|---|-------------|---------------|
| OVERSEAS TOUR EXTENSION PROGRAM (OTEIP) | -1,000 | -4,000 |
| BASIC ALLOWANCE FOR SUBSISTENCE (BAS) | 12,670 | 23,084 |
| PARTIAL BAS OFFSET | -12,670 | -23,084 |
| PROXIMITY MOVES | 300 | 100 |
| TOTAL | -700 | -3,900 |

- The Overseas Tour Extension Incentive Program will result in savings by encouraging soldiers to extend their tour overseas, thereby reducing PCS costs.
- The Proximity Move Program is designed to protect a soldier's Variable Housing Allowance when he is tied to a fixed mortgage/lease rate and local VHA payments are changed due to a local move.
- The Partial BAS program represents a cost neutral initiative to provide all enlisted soldiers with a BAS payment. It is explained in detail in Budget Activity 4: Enlisted Subsistence.

Section 2

Introduction

The Military Personnel, Army (MPA) appropriation provides resources to compensate active military personnel required to man the approved force structure. In addition to personnel in the force structure, the appropriation also provides compensation for personnel in the individuals accounts: students, trainees, transients, cadets, and holdees (holdees include patients and others). The manning goal is to provide, in a timely manner, the right number of high quality people in the appropriate grades and skills to satisfy force structure authorizations. Accomplishment of this goal will ensure a high degree of personnel readiness and combat readiness in units.

Management Characteristics of MPA

MPA is a centrally managed, single-year, open allotment appropriation. Entitlements are set by statute with the biggest cost driver being the average number of personnel on active duty. There are other factors such as overseas strength, marital content, and personnel policy which also impact heavily on costs in this appropriation.

Force Structure

Army force structure supports the national military strategy which calls for a multi-regional orientation, combining forward presence and CONUS based forces with unique Army capabilities to provide essential land forces. The total Army is structured to provide a wide range of land based warfighting capabilities applicable throughout the operational continuum and stationed at locations to best support strategic requirements. The force in FY98 will consist of four corps, 10 active component divisions and eight reserve component divisions. Manpower policy assumptions used to man the force are detailed in the Active Army Military Manpower Program (AAMMP) employed to develop these estimates.

Total End Strength

The Active Army budgeted end strength for FY98 & FY99 is 495,000, reflecting a stable position from the FY97 end strength at the same level.

Officer Strength

In FY98/FY99 the Army's officer force will be 80,300, which is the same as the FY97 level. FY98 represents the first full year of a steady state force. Planned accessions are necessary to maintain the officer force at steady-state based on the current loss analysis, which, because of drawdown turbulence, contains some degree of uncertainty. As manpower levels become constant, the Army will closely monitor natural loss behavior and adjust accordingly. Some involuntary reductions such as the Selective Early Retirement Program (SERB) may be minimally applied as necessary to properly shape the force. The officer manyears in the budget reflect the projected by grade seasonalities of losses and gains.

Enlisted Strength

Active Army enlisted strength, like the officer force, will experience its first full year at a steady state end strength of 410,700. The NCO corps will decrease from 188,876 soldiers at the end of FY96 to 187,715 soldiers at the end of FY98. Statutory limitations will keep master sergeant and sergeant major strengths at 3.5 percent for FY97 and beyond. Soldiers in the bottom four grades will increase from 217,626 at the end of FY96 to 222,985 at the end of FY98.

Accessions

Officer Accessions

Officer accessions level off at 6,200 beginning in FY98, representing the post-drawdown steady state requirement. At the same time, Warrant Officer accessions are projected to hit their steady state level of approximately 1,000 per year.

Enlisted Accessions

FY96 was the last year of the drawdown and FY97 is the first year of the steady state Active Army. Losses must now be replaced at a one for one rate to maintain the end strength. Modest changes in accessions reflected in this budget from year to year reflect accession experience from the prior three to four years. The Army's annual non-prior service accession quality standards remain unchanged with least 95 percent high school diploma graduates; at least 67 percent test score I-IIIA; and not more than two percent test score category IV. The Army is concerned about successfully achieving steady state accessions missions near 87,000 in an environment in which positive propensity to enlist in the Army has fallen 29 percent since FY91.

Permanent Change of Station Travel (PCS)

The FY98/99 budget estimate includes projected inflation cost growth, payraise and Defense Working Capital Funds rates for all applicable modes of PCS travel and transportation. The funds requested also reflect impacts of expanded PCS entitlements which increased FY97 requirements by \$50M and FY98 requirement by \$33.6M.

The number of PCS moves is driven primarily by the commitment to station 25 percent of the force overseas, while Accession and Separation PCS moves are required to maintain end strength. The FY97 Column reflects a 11.5 percent reduction in the number of PCS moves (excluding Accessions/Separations required to maintain end strength) and a cost reduction of \$83.0M, exceeding the \$20.6M funding reduction directed by Congress in the 1997 DOD Appropriations bill. Programmed FY98 moves (excluding Accessions/Separations) were reduced from FY97 levels by an additional 2 percent generating a \$10.6M cost savings.

The FY98/99 PCS program supports changes to force structure and policy changes to include increased Korea endstrength (\$10.0M), force structure changes in Panama and CONUS (\$1.3M), and conversion of tour lengths in Saudi Arabia and Kuwait (\$2.1M).

Key budget assumptions used to develop these estimates include:

- The FY98/99 estimates for overseas station allowances are based on rates of exchange of 1.564 DM/\$1 US. Beginning with FY97, MPA is included in the Foreign Currency Fluctuation Account.
- Pay raise estimates are based on 1 January implementation. The FY98 pay raise is budgeted at 2.8 percent. The FY99 pay raise is at 3.0 percent.
- The normal cost percentages (NCP) used to calculate payments to the military retired pay trust fund are 30.5% in FY98 and 30.2% in FY99. These rates are set by the DoD Board of Actuaries.
- The FY98/99 estimates in this budget fully fund the Active Army manpower program required to man the force at the levels described. There is no flexibility in the budget for non-programatic reductions.

Program and Management Efficiencies Included in the Budget Estimates are:

| | |
|------------------------------------|---|
| NCO CONTENT REDUCTION | IMPROVED INITIAL ENTRY ATTRITION RATES |
| SPECIALIST AUTHORIZATION REDUCTION | JUMP PAY REDUCTIONS |
| IMPROVED DEBT MANAGEMENT | CURTAIL OFFICER VOLUNTARY SEPARATION PGMS |
| PCS MOVE REDUCTIONS | |

SECTION 3
SUMMARY OF MILITARY PERSONNEL STRENGTH

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|---------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|
| | AVERAGE STRENGTH | END STRENGTH | AVERAGE STRENGTH | END STRENGTH | AVERAGE STRENGTH | END STRENGTH | AVERAGE STRENGTH | END STRENGTH |
| DIRECT PROGRAM | | | | | | | | |
| OFFICERS..... | 81,766 | 79,691 | 79,337 | 79,395 | 79,476 | 79,503 | 79,800 | 79,501 |
| ENLISTED..... | 413,176 | 404,956 | 405,246 | 409,251 | 409,679 | 409,407 | 409,090 | 409,408 |
| ACADEMY CADETS..... | 3,834 | 3,973 | 3,830 | 4,000 | 3,874 | 4,000 | 3,874 | 4,000 |
| TOTAL DIRECT PROGRAM..... | 498,776 | 488,620 | 488,413 | 492,646 | 493,029 | 492,910 | 492,764 | 492,909 |
| REIMBURSABLE PROGRAM | | | | | | | | |
| OFFICERS..... | 931 | 937 | 908 | 905 | 796 | 797 | 798 | 799 |
| ENLISTED..... | 1,540 | 1,546 | 1,454 | 1,449 | 1,293 | 1,293 | 1,292 | 1,292 |
| TOTAL REIMBURSABLE PROGRAM..... | 2,471 | 2,483 | 2,362 | 2,354 | 2,089 | 2,090 | 2,090 | 2,091 |
| TOTAL PROGRAM | | | | | | | | |
| OFFICERS..... | 82,697 | 80,628 | 80,245 | 80,300 | 80,272 | 80,300 | 80,598 | 80,300 |
| ENLISTED..... | 414,716 | 406,502 | 406,700 | 410,700 | 410,972 | 410,700 | 410,382 | 410,700 |
| ACADEMY CADETS..... | 3,834 | 3,973 | 3,830 | 4,000 | 3,874 | 4,000 | 3,874 | 4,000 |
| TOTAL..... | 501,247 | 491,103 | 490,775 | 495,000 | 495,118 | 495,000 | 494,854 | 495,000 |

SECTION 3
END STRENGTHS BY GRADE (TOTAL PROGRAM)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-----------------------------------|----------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|
| | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED |
| COMMISSIONED OFFICERS | | | | | | | | |
| O-10 GENERAL..... | 13 | 0 | 11 | 0 | 11 | 0 | 11 | 0 |
| O-9 LIEUTENANT GENERAL..... | 38 | 0 | 34 | 0 | 34 | 0 | 34 | 0 |
| O-8 MAJOR GENERAL..... | 101 | 2 | 106 | 2 | 106 | 2 | 106 | 2 |
| O-7 BRIGADIER GENERAL..... | 151 | 4 | 151 | 4 | 151 | 4 | 151 | 4 |
| O-6 COLONEL..... | 3,623 | 42 | 3,783 | 37 | 3,839 | 25 | 3,837 | 25 |
| O-5 LIEUTENANT COLONEL..... | 9,037 | 73 | 8,992 | 70 | 9,173 | 60 | 9,176 | 60 |
| O-4 MAJOR..... | 13,631 | 185 | 14,604 | 178 | 15,015 | 152 | 15,013 | 153 |
| O-3 CAPTAIN..... | 23,984 | 426 | 23,204 | 413 | 23,635 | 376 | 23,985 | 377 |
| O-2 FIRST LIEUTENANT..... | 9,037 | 178 | 9,162 | 177 | 8,374 | 162 | 7,614 | 162 |
| O-1 SECOND LIEUTENANT..... | 9,047 | 0 | 8,453 | 0 | 8,312 | 0 | 8,723 | 0 |
| TOTAL COMMISSIONED OFFICERS.. | 68,662 | 910 | 68,500 | 881 | 68,650 | 781 | 68,650 | 783 |
| WARRANT OFFICERS | | | | | | | | |
| W-5 CHIEF WARRANT OFFICER..... | 367 | 2 | 401 | 2 | 396 | 1 | 396 | 1 |
| W-4 CHIEF WARRANT OFFICER..... | 1,292 | 5 | 1,581 | 5 | 1,561 | 4 | 1,561 | 4 |
| W-3 CHIEF WARRANT OFFICER..... | 3,005 | 10 | 2,915 | 10 | 2,878 | 6 | 2,878 | 6 |
| W-2 CHIEF WARRANT OFFICER..... | 5,390 | 9 | 4,767 | 6 | 4,706 | 6 | 4,706 | 6 |
| W-1 CHIEF WARRANT OFFICER..... | 1,912 | 1 | 2,136 | 1 | 2,109 | 1 | 2,109 | 1 |
| TOTAL WARRANT OFFICERS..... | 11,966 | 27 | 11,800 | 24 | 11,650 | 18 | 11,650 | 18 |
| TOTAL OFFICER PERSONNEL..... | 80,628 | 937 | 80,300 | 905 | 80,300 | 799 | 80,300 | 801 |
| ENLISTED PERSONNEL | | | | | | | | |
| E-9 SERGEANT MAJOR..... | 3,121 | 37 | 3,195 | 35 | 3,121 | 23 | 3,061 | 23 |
| E-8 1ST SGT/MAST. SGT..... | 11,224 | 69 | 10,890 | 62 | 11,042 | 51 | 11,141 | 51 |
| E-7 PLATOON SGT/SGT 1ST CLASS.. | 40,051 | 246 | 39,912 | 237 | 38,603 | 201 | 37,635 | 201 |
| E-6 STAFF SGT..... | 57,623 | 351 | 57,485 | 333 | 57,143 | 297 | 55,660 | 297 |
| E-5 SERGEANT..... | 76,857 | 310 | 77,611 | 285 | 77,806 | 265 | 77,568 | 265 |
| E-4 CORPORAL/SPECIALIST 4..... | 106,146 | 298 | 113,543 | 270 | 115,012 | 252 | 117,271 | 251 |
| E-3 PRIVATE, FIRST CLASS..... | 54,899 | 213 | 52,689 | 205 | 52,988 | 186 | 53,090 | 186 |
| E-2 PRIVATE..... | 33,109 | 18 | 31,488 | 19 | 28,973 | 15 | 28,399 | 15 |
| E-1 PRIVATE..... | 23,472 | 4 | 23,887 | 3 | 26,012 | 3 | 26,875 | 3 |
| TOTAL ENLISTED PERSONNEL..... | 406,502 | 1,546 | 410,700 | 1,449 | 410,700 | 1,293 | 410,700 | 1,292 |
| TOTAL OFF. AND ENL. PERSONNEL.... | 487,130 | 2,483 | 491,000 | 2,354 | 491,000 | 2,092 | 491,000 | 2,093 |
| CADETS..... | 3,973 | 0 | 4,000 | 0 | 4,000 | 0 | 4,000 | 0 |
| TOTAL END STRENGTH..... | 491,103 | 2,483 | 495,000 | 2,354 | 495,000 | 2,092 | 495,000 | 2,093 |

SECTION 3
AVERAGE STRENGTH BY GRADE (TOTAL PROGRAM)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-----------------------------------|----------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|
| | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED | 30 SEPT | REIMB INCLUDED |
| COMMISSIONED OFFICERS | | | | | | | | |
| O-10 GENERAL..... | 13 | 0 | 11 | 0 | 11 | 0 | 11 | 0 |
| O-9 LIEUTENANT GENERAL..... | 38 | 0 | 34 | 0 | 34 | 0 | 34 | 0 |
| O-8 MAJOR GENERAL..... | 97 | 2 | 106 | 2 | 106 | 2 | 106 | 2 |
| O-7 BRIGADIER GENERAL..... | 152 | 4 | 151 | 4 | 151 | 3 | 151 | 3 |
| O-6 COLONEL..... | 3,640 | 42 | 3,784 | 42 | 3,828 | 30 | 3,844 | 32 |
| O-5 LIEUTENANT COLONEL..... | 9,225 | 75 | 9,012 | 75 | 9,095 | 62 | 9,191 | 62 |
| O-4 MAJOR..... | 14,913 | 186 | 14,838 | 180 | 14,766 | 158 | 15,202 | 158 |
| O-3 CAPTAIN..... | 24,451 | 434 | 22,585 | 427 | 23,189 | 376 | 23,346 | 376 |
| O-2 FIRST LIEUTENANT..... | 8,587 | 163 | 9,019 | 155 | 8,902 | 144 | 8,209 | 144 |
| O-1 SECOND LIEUTENANT..... | 9,392 | 0 | 8,891 | 0 | 8,555 | 0 | 8,836 | 0 |
| TOTAL COMMISSIONED OFFICERS.. | 70,508 | 906 | 68,431 | 885 | 68,637 | 775 | 68,930 | 777 |
| WARRANT OFFICERS | | | | | | | | |
| W-5 CHIEF WARRANT OFFICER..... | 390 | 2 | 384 | 2 | 399 | 2 | 396 | 2 |
| W-4 CHIEF WARRANT OFFICER..... | 1,373 | 5 | 1,572 | 5 | 1,559 | 5 | 1,564 | 5 |
| W-3 CHIEF WARRANT OFFICER..... | 3,007 | 9 | 2,924 | 9 | 2,873 | 9 | 2,882 | 9 |
| W-2 CHIEF WARRANT OFFICER..... | 5,529 | 8 | 4,803 | 6 | 4,699 | 6 | 4,714 | 6 |
| W-1 CHIEF WARRANT OFFICER..... | 1,890 | 1 | 2,131 | 1 | 2,105 | 1 | 2,112 | 1 |
| TOTAL WARRANT OFFICERS..... | 12,189 | 25 | 11,814 | 23 | 11,635 | 23 | 11,668 | 23 |
| TOTAL OFFICER PERSONNEL..... | 82,697 | 931 | 80,245 | 908 | 80,272 | 798 | 80,598 | 800 |
| ENLISTED PERSONNEL | | | | | | | | |
| E-9 SERGEANT MAJOR..... | 3,122 | 37 | 3,162 | 35 | 3,145 | 33 | 3,053 | 33 |
| E-8 1ST SGT/MAST. SGT..... | 10,931 | 69 | 10,939 | 62 | 10,971 | 57 | 11,065 | 57 |
| E-7 PLATOON SGT/SGT 1ST CLASS.. | 40,082 | 248 | 40,142 | 231 | 38,997 | 218 | 37,832 | 218 |
| E-6 STAFF SGT..... | 60,580 | 355 | 58,393 | 335 | 57,455 | 294 | 56,097 | 294 |
| E-5 SERGEANT..... | 77,448 | 312 | 78,621 | 295 | 77,723 | 263 | 77,719 | 262 |
| E-4 CORPORAL/SPECIALIST 4..... | 121,704 | 294 | 113,479 | 274 | 115,027 | 244 | 117,246 | 244 |
| E-3 PRIVATE, FIRST CLASS..... | 49,570 | 203 | 49,974 | 200 | 50,856 | 167 | 53,173 | 167 |
| E-2 PRIVATE..... | 29,396 | 18 | 29,602 | 19 | 30,899 | 14 | 29,323 | 14 |
| E-1 PRIVATE..... | 21,883 | 4 | 22,388 | 3 | 25,899 | 3 | 24,874 | 3 |
| TOTAL ENLISTED PERSONNEL..... | 414,716 | 1,540 | 406,700 | 1,454 | 410,972 | 1,293 | 410,382 | 1,292 |
| TOTAL OFF. AND ENL. PERSONNEL.... | 497,413 | 2,471 | 486,945 | 2,362 | 491,244 | 2,091 | 490,980 | 2,092 |
| CADETS..... | 3,834 | 0 | 3,830 | 0 | 3,874 | 0 | 3,874 | 0 |
| TOTAL AVERAGE STRENGTH..... | 501,247 | 2,471 | 490,775 | 2,362 | 495,118 | 2,091 | 494,854 | 2,092 |

SECTION 3
ACTIVE DUTY STRENGTHS BY MONTHS
(IN THOUSANDS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|---|----------------|----------|------------------|-------|------------------|----------|------------------|-------|
| | OFFICER | ENLISTED | CADET | TOTAL | OFFICER | ENLISTED | CADET | TOTAL |
| 1) | | | | | | | | |
| SEPTEMBER..... | 82.5 | 422.1 | 4.0 | 508.6 | 80.6 | 406.5 | 4.0 | 495.5 |
| OCTOBER..... | 82.2 | 420.2 | 4.0 | 506.4 | 80.4 | 407.5 | 4.0 | 496.3 |
| NOVEMBER..... | 81.8 | 419.5 | 3.9 | 505.2 | 80.4 | 408.5 | 3.9 | 497.6 |
| DECEMBER..... | 81.6 | 414.3 | 3.9 | 499.8 | 80.1 | 402.1 | 3.9 | 492.0 |
| JANUARY..... | 81.6 | 415.9 | 3.9 | 501.4 | 80.1 | 406.8 | 3.9 | 496.1 |
| FEBRUARY..... | 81.7 | 415.1 | 3.9 | 500.7 | 78.8 | 407.0 | 3.9 | 494.8 |
| MARCH..... | 81.3 | 414.0 | 3.9 | 499.2 | 78.9 | 406.6 | 3.9 | 493.4 |
| APRIL..... | 80.5 | 410.9 | 3.9 | 495.3 | 79.0 | 405.9 | 3.9 | 493.9 |
| MAY..... | 81.0 | 408.5 | 3.9 | 493.4 | 80.4 | 405.9 | 3.8 | 494.3 |
| JUNE..... | 82.1 | 406.1 | 2.9 | 491.1 | 80.8 | 405.0 | 2.9 | 495.2 |
| JULY..... | 81.2 | 406.5 | 4.0 | 491.7 | 80.2 | 405.2 | 4.1 | 495.0 |
| AUGUST..... | 81.0 | 407.8 | 4.0 | 492.8 | 80.2 | 407.6 | 4.1 | 495.2 |
| SEPTEMBER..... | 80.6 | 406.5 | 4.0 | 491.1 | 80.3 | 410.7 | 4.0 | 494.3 |
| AVERAGE STRENGTH... | 82.7 | 414.7 | 3.8 | 501.2 | 80.2 | 406.7 | 3.8 | 495.2 |
| Below are TTAD Manyears and Contingency Manyears and the Respective Dollars in Millions | | | | | | | | |
| TTAD MANYEARS INCL. | 109 | 87 | 196 | 151 | 168 | 71 | 164 | 239 |
| TTAD \$ INCL..... | | | \$ 15 | \$ 10 | | | \$ 16 | \$ 16 |
| CONTINGENCY MANYRS | | | | | | | | |
| INCLUDED..... | 1,116 | 1,861 | 2,977 | 413 | 0 | 0 | 0 | 0 |
| CONTINGENCY \$ INCL. | | | \$ 363 | \$ 51 | | | \$ 0 | \$ 0 |

1) ACTUAL DATA THROUGH SEPT. 1996.

SECTION 3
GAINS & LOSSES BY SOURCE AND TYPE

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|---------------------------------|----------------|------------------|------------------|------------------|
| OFFICERS | | | | |
| BEGINNING STRENGTH..... | 82,539 | 80,628 | 80,300 | 80,300 |
| GAINS (BY SOURCE) | | | | |
| SERVICE ACADEMIES..... | 879 | 910 | 860 | 860 |
| ROTC..... | 2,788 | 2,994 | 2,943 | 2,909 |
| OFFICER CANDIDATE SCHOOL..... | 360 | 375 | 350 | 350 |
| VOLUNTARY ACTIVE DUTY..... | 0 | 0 | 0 | 0 |
| DIRECT APPOINTMENTS..... | 1,126 | 1,061 | 923 | 958 |
| WARRANT OFFICER PROGRAMS..... | 928 | 800 | 1,000 | 1,100 |
| OTHER..... | 0 | 212 | 120 | 43 |
| TOTAL GAINS..... | 6,081 | 6,352 | 6,196 | 6,220 |
| LOSSES (BY TYPE) | | | | |
| EXPIRATION OF CONTRACT..... | 665 | 555 | 437 | 479 |
| RETIREMENT..... | 2,937 | 2,648 | 1,462 | 1,493 |
| DISABILITY..... | (124) | (112) | (87) | (95) |
| NON-DISABILITY..... | (1,796) | (1,619) | (1,375) | (1,398) |
| 15 YEAR RETIREMENT..... | (1,017) | (917) | (0) | (0) |
| VOLUNTARY SEPARATION-VSI..... | 371 | 367 | 0 | 0 |
| VOLUNTARY SEPARATION-SSB..... | 436 | 327 | 0 | 0 |
| INVOLUNTARY SEP OF RESERVE..... | 0 | 0 | 0 | 0 |
| INVOLUNTARY SEP OF REGULAR..... | 50 | 57 | 45 | 49 |
| REDUCTION-IN-FORCE..... | 0 | 0 | 0 | 0 |
| ATTRITION..... | 3,197 | 2,431 | 4,102 | 4,049 |
| OTHER..... | 336 | 295 | 150 | 150 |
| TOTAL LOSSES..... | 7,992 | 6,680 | 6,196 | 6,220 |
| END STRENGTH..... | 80,628 | 80,300 | 80,300 | 80,300 |

SECTION 3
GAINS & LOSSES BY SOURCE AND TYPE

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|------------------------------------|----------------|------------------|------------------|------------------|
| ENLISTED | | | | |
| BEGINNING STRENGTH..... | 422,073 | 406,502 | 410,700 | 410,700 |
| GAINS (BY SOURCE) | | | | |
| NON-PRIOR SERVICE ENLISTMENTS..... | | | | |
| MALES..... | 68,616 | 83,700 | 83,233 | 82,904 |
| FEMALES..... | (54,765) | (66,633) | (65,809) | (64,826) |
| PRIOR SERVICE ENLISTMENTS..... | (13,851) | (17,067) | (17,424) | (18,078) |
| REENLISTMENT (IMM)..... | 4,187 | 6,000 | 4,000 | 4,000 |
| RESERVE COMPONENTS..... | 72,120 | 63,866 | 55,979 | 56,457 |
| RETURNED TO MILITARY CONTROL..... | 234 | 200 | 200 | 200 |
| OTHER..... | 1,649 | 1,529 | 1,607 | 1,627 |
| GAIN ADJUSTMENT..... | 914 | 2,381 | 523 | 0 |
| TOTAL GAINS..... | (63) | 473 | (79) | (28) |
| | 147,657 | 158,149 | 145,463 | 145,160 |

LOSSES (BY TYPE)

| | | | | |
|------------------------------------|---------|---------|---------|---------|
| DRAFTEES AND REGULAR ARMY | | | | |
| ESTIMATED TERMINATION OF SERVICE.. | 33,700 | 32,910 | 30,849 | 31,930 |
| NORMAL EARLY RELEASE..... | 0 | 0 | 0 | 0 |
| PROGRAMMED EARLY RELEASE..... | 0 | 0 | 0 | 0 |
| SEPARATIONS - VSI..... | 0 | 0 | 0 | 0 |
| SEPARATIONS - SSB..... | 0 | 0 | 0 | 0 |
| TO COMMISSIONED OFFICER | | | | |
| AND WARRANT OFFICER..... | 1,285 | 1,235 | 1,385 | 1,385 |
| REENLISTMENT..... | 72,120 | 63,866 | 55,979 | 56,457 |
| RETIREMENT..... | 9,707 | 8,796 | 8,798 | 7,999 |
| 15 YEAR RETIREMENT..... | 838 | 1,400 | 1,100 | 400 |
| DROPPED FROM ROLLS..... | 2,536 | 2,153 | 2,264 | 2,292 |
| ATTRITION ADVERSE CAUSES..... | 18,144 | 18,746 | 20,072 | 20,493 |
| OTHER ATTRITION..... | 24,815 | 24,705 | 24,876 | 24,064 |
| RESERVE COMPONENTS..... | 83 | 140 | 140 | 140 |
| TOTAL LOSSES..... | 163,228 | 153,951 | 145,463 | 145,160 |
| END STRENGTH..... | 406,502 | 410,700 | 410,700 | 410,700 |

CADETS

| | | | | |
|----------------------|-------|-------|-------|-------|
| GAINS | | | | |
| ENTERING CADETS..... | 1,193 | 1,195 | 1,220 | 1,220 |
| LOSSES | | | | |
| ATTRITION..... | 228 | 255 | 255 | 255 |
| GRADUATES..... | 965 | 965 | 965 | 965 |

SECTION 3
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|------------------------------------|----------------|----------|----------|------------------|----------|----------|------------------|----------|----------|------------------|----------|----------|
| | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL |
| 1. BASIC PAY..... | 3275322 | 7221465 | 10496787 | 3285905 | 7253654 | 10539559 | 3378493 | 7432671 | 10811164 | 3501132 | 7542367 | 11043499 |
| 2. RETIRED PAY ACCRUAL..... | 1077581 | 2375862 | 3453443 | 1071205 | 2364691 | 3435896 | 1030440 | 2266965 | 3297405 | 1057342 | 2277795 | 3335137 |
| 3. BASIC ALLOWANCES | | | | | | | | | | | | |
| FOR QUARTERS..... | 425076 | 987079 | 1412155 | 430317 | 997769 | 1428086 | 442818 | 1053674 | 1496492 | 458552 | 1085157 | 1543709 |
| A. WITH DEPENDENTS..... | 320569 | 875674 | 1196243 | 324814 | 884641 | 1209455 | 333922 | 920799 | 1263001 | 346704 | 957073 | 1303777 |
| B. WITHOUT DEPENDENTS..... | 103977 | 99698 | 203665 | 104992 | 101604 | 206596 | 108390 | 112676 | 221066 | 111336 | 116106 | 227442 |
| C. SUBSTANDARD | | | | | | | | | | | | |
| FAMILY HOUSING..... | 14 | 464 | 478 | 16 | 472 | 488 | 17 | 491 | 508 | 20 | 512 | 532 |
| D. PARTIAL..... | 516 | 11253 | 11769 | 495 | 11052 | 11547 | 489 | 11428 | 11917 | 492 | 11466 | 11958 |
| 4. VARIABLE HOUSING ALLOWANCE..... | 104390 | 185299 | 289689 | 103183 | 186525 | 289708 | 104629 | 203420 | 308049 | 107609 | 205280 | 312889 |
| 5. SUBSISTENCE..... | 147656 | 768609 | 916265 | 147366 | 1102186 | 1249552 | 149609 | 1094504 | 1244113 | 151721 | 1129307 | 1281028 |
| A. BASIC ALLOWANCE | | | | | | | | | | | | |
| FOR SUBSISTENCE..... | 147656 | 768609 | 916265 | 147366 | 761215 | 908581 | 149609 | 785773 | 935382 | 151721 | 802383 | 954104 |
| 1. AUTHORIZED TO | | | | | | | | | | | | |
| MESS SEPARATELY..... | 147656 | 620497 | 768153 | 147366 | 602736 | 750102 | 149609 | 610655 | 760264 | 151721 | 615537 | 767258 |
| 2. LEAVE RATIONS..... | | 86976 | 86976 | | 83640 | 83640 | | 85735 | 85735 | | 86422 | 86422 |
| 3. RATIONS-IN-KIND | | | | | | | | | | | | |
| NOT AVAILABLE..... | | 60626 | 60626 | | 74331 | 74331 | | 76207 | 76207 | | 76826 | 76826 |
| 4. AUGMENTATION FOR | | | | | | | | | | | | |
| SEPARATE MEALS..... | | 510 | 510 | | 508 | 508 | | 506 | 506 | | 514 | 514 |
| 5. PARTIAL BAS..... | | | | | | | | 12670 | 12670 | | 23084 | 23084 |
| B. SUBSISTENCE IN KIND.. | | | | | | | | 308731 | 308731 | | 326924 | 326924 |
| 1. SUBSISTENCE IN MESSE | | | | | | | | 220216 | 220216 | | 224169 | 224169 |
| 2. OPERATIONAL RATIONS. | | | | | | | | 78092 | 78092 | | 92151 | 92151 |
| 3. AUGMENTATION | | | | | | | | | | | | |
| RATIONS/OTHER..... | | | | | | | | 10423 | 10423 | | 10604 | 10604 |

SECTION 3
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | | |
|---------------------------|----------------|----------|------------------|----------|------------------|--------|------------------|----------|--------|
| | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL |
| 6. INCENTIVE PAY, | | | | | | | | | |
| HAZARDOUS DUTY, AND | | | | | | | | | |
| AVIATION CAREER..... | 64828 | 54279 | 119107 | 63302 | 53874 | 117176 | 57898 | 51292 | 109190 |
| A. FLYING DUTY PAY..... | 56697 | 7119 | 63816 | 55856 | 7279 | 63135 | 51788 | 7312 | 59100 |
| 1. AVIATION CAREER, | | | | | | | | | |
| OFFICERS..... | 56483 | | 56483 | 55642 | | 55642 | 51574 | | 51574 |
| 2. CREW MEMBERS, | | | | | | | | | |
| ENLISTED..... | | 6072 | 6072 | | 6112 | 6112 | | 6145 | 6145 |
| 3. NONCREW MEMBERS..... | 111 | 1047 | 1158 | 111 | 1167 | 1278 | 111 | 1167 | 1278 |
| 4. CREW NON-RATED..... | 103 | | 103 | 103 | | 103 | 103 | | 103 |
| B. PARACHUTE JUMP PAY.... | 7509 | 42784 | 50293 | 6904 | 43163 | 50067 | 5570 | 40549 | 46119 |
| C. DEMOLITION PAY..... | 205 | 1720 | 1925 | 181 | 1241 | 1422 | 178 | 1237 | 1415 |
| D. OTHER PAY..... | 417 | 2656 | 3073 | 361 | 2191 | 2552 | 362 | 2194 | 2556 |
| 7. SPECIAL PAYS..... | 184158 | 154149 | 338307 | 179597 | 148774 | 328371 | 179162 | 124078 | 303240 |
| A. PHYSICIAN MEDICAL.... | 158134 | | 158134 | 153625 | | 153625 | 153233 | | 153233 |
| B. DENTIST MEDICAL..... | 12226 | | 12226 | 16824 | | 16824 | 17662 | | 17662 |
| C. NURSE MEDICAL..... | 2416 | | 2416 | 3633 | | 3633 | 3633 | | 3633 |
| D. BOARD CERTIFIED PAY | | | | | | | | | |
| FOR NONPHYSICIAN | | | | | | | | | |
| HEALTH CARE PROVIDER | 300 | | 300 | 1290 | | 1290 | 1350 | | 1350 |
| E. OPTOMETRIST MEDICAL... | 144 | | 144 | 150 | | 150 | 150 | | 150 |
| F. VETERINARIAN MEDICAL.. | 478 | | 478 | 516 | | 516 | 516 | | 516 |
| G. SEA AND FOREIGN DUTY.. | 352 | 10141 | 10493 | 347 | 10025 | 10372 | 347 | 7749 | 8096 |
| 1. SEA DUTY..... | 352 | 609 | 961 | 347 | 609 | 956 | 347 | 586 | 933 |
| 2. DUTY AT CERTAIN | | | | | | | | | |
| PLACES..... | | 9335 | 9335 | | 8413 | 8413 | | 6160 | 6160 |
| 3. OVERSEAS EXTENSION | | | | | | | | | |
| PAY..... | | 197 | 197 | | 1003 | 1003 | | 1003 | 1003 |
| H. FOREIGN LANGUAGE | | | | | | | | | |
| PROFICIENCY PAY..... | 1496 | 3840 | 5336 | 1440 | 4110 | 5550 | 1440 | 4110 | 5550 |
| I. DIVING DUTY PAY..... | 177 | 1008 | 1185 | 177 | 1009 | 1186 | 181 | 1008 | 1185 |
| J. REENLISTMENT BONUS.... | | 37793 | 37793 | | 47923 | 47923 | | 40076 | 40076 |
| K. SPECIAL DUTY | | | | | | | | | |
| ASSIGN PAY..... | | 42833 | 42833 | | 52746 | 52746 | | 51927 | 51927 |
| L. ENLISTMENT BONUS..... | | 18144 | 18144 | | 24299 | 24299 | | 18065 | 18065 |
| M. HOSTILE FIRE PAY..... | 8435 | 40390 | 48825 | 1595 | 8662 | 10257 | 650 | 1143 | 1793 |

SECTION 3

MONEY ALLOWANCE...

SECTION 3
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------|----------------|----------|---------|------------------|----------|---------|------------------|----------|---------|------------------|----------|---------|
| | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL | OFFICERS | ENLISTED | TOTAL |
| 9. SEPARATION PAY..... | 180318 | 307045 | 487363 | 183049 | 272518 | 455567 | 62775 | 236325 | 299100 | 99960 | 212088 | 312048 |
| A. TERMINAL LEAVE PAY.... | 26634 | 62173 | 88807 | 25028 | 60688 | 85716 | 20408 | 46693 | 67101 | 23021 | 47067 | 70088 |
| B. LUMP-SUM | | | | | | | | | | | | |
| READJUSTMENT PAY..... | | | | | | | | | | | | |
| C. DONATIONS..... | | 4 | 4 | | 4 | 4 | | 4 | 4 | | 4 | 4 |
| D. SEVERANCE PAY, | | | | | | | | | | | | |
| DISABILITY..... | 3019 | 59530 | 62549 | 2427 | 62633 | 65060 | 2497 | 65857 | 68354 | 2571 | 65724 | 68295 |
| E. SEVERANCE PAY, | | | | | | | | | | | | |
| NON-PROMOTION..... | 8624 | | 8624 | 8871 | | 8871 | 9125 | | 9125 | 44406 | | 44406 |
| F. SEVERANCE PAY, | | | | | | | | | | | | |
| INVOL HALF (5%)..... | 99 | 32193 | 32292 | 102 | 21711 | 21813 | 105 | 21105 | 21210 | 108 | 21689 | 21797 |
| G. SEVERANCE PAY, | | | | | | | | | | | | |
| INVOL FULL (10%)..... | 1673 | 116644 | 118317 | 1677 | 54517 | 56194 | 1725 | 52979 | 54704 | 1729 | 54433 | 56162 |
| H. SEVERANCE PAY, VSI.... | 59449 | 9375 | 68824 | 67725 | 27375 | 95100 | 28915 | 12785 | 41700 | 28125 | 9375 | 37500 |
| I. SEVERANCE PAY, SSB.... | 19658 | | 19658 | 19445 | | 19445 | | | | | | |
| J. SEVERANCE PAY, 15 YR | | | | | | | | | | | | |
| RETIREMENT..... | 61162 | 27126 | 88288 | 57774 | 45590 | 103364 | | 36902 | 36902 | 13796 | | 13796 |
| 10. SOCIAL SECURITY TAX | | | | | | | | | | | | |
| PAYMENTS..... | 289876 | 632202 | 922078 | 288693 | 625704 | 914397 | 294523 | 634721 | 929244 | 303466 | 645760 | 949226 |
| 11. PERMANENT CHANGE OF | | | | | | | | | | | | |
| STATION TRAVEL..... | 262031 | 812321 | 1074352 | 252369 | 811876 | 1064245 | 250801 | 822044 | 1072845 | 256158 | 840451 | 1096609 |
| 12. OTHER MILITARY | | | | | | | | | | | | |
| PERSONNEL COSTS..... | 444 | 199418 | 199862 | 482 | 207159 | 207641 | 482 | 179028 | 179510 | 452 | 181734 | 182186 |
| A. ADOPTION EXPENSES.... | | 382 | 382 | | 380 | 380 | | 380 | 380 | | 380 | 380 |
| B. APPREHENSION OF | | | | | | | | | | | | |
| DESERTERS..... | | 904 | 904 | | 813 | 813 | | 822 | 822 | | 821 | 821 |
| C. DEATH GRATUITIES..... | 288 | 2112 | 2400 | 282 | 2070 | 2352 | 282 | 2094 | 2376 | 282 | 2094 | 2376 |
| D. UNEMPLOYMENT | | | | | | | | | | | | |
| COMPENSATION..... | | 125399 | 125399 | | 123914 | 123914 | | 112114 | 112114 | | 115073 | 115073 |
| E. SURVIVOR BENEFITS..... | | 9062 | 9062 | | 7400 | 7400 | | 6920 | 6920 | | 6440 | 6440 |
| F. EDUCATION BENEFITS.... | | 61354 | 61354 | | 72298 | 72298 | | 56414 | 56414 | | 56675 | 56675 |
| G. INTEREST ON SOLDIERS' | | | | | | | | | | | | |
| DEPOSIT..... | 156 | 205 | 361 | 200 | 284 | 484 | 200 | 284 | 484 | 170 | 251 | 421 |

SECTION 3

TOTAL, ALL MILITARY

SECTION 3
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)
FY 1997

| | FY 1997/97 PRESIDENTS BUDGET | IMPACT OF CONGRESSIONAL ACTION | AVAILABLE APPROPRIATION | INTERNAL REALIGNMENT/ REPROGRAMMING | SUBTOTAL | CONTINGENCY PRICE/PROGRAM OPERATIONS CHANGES | OTHER FY 1997 FY 1998 | REVISED COLUMN REQUEST |
|---------------------------------------|------------------------------------|--------------------------------------|----------------------------|---|-----------|---|-----------------------------|------------------------------|
| PAY AND ALLOWANCES OF OFFICERS | | | | | | | | |
| BASIC PAY..... | 3,259,007 | 0 | 3,259,007 | (22,093) | 3,236,914 | 0 | 0 | 3,236,914 |
| RETIRED PAY ACCRUAL..... | 1,063,416 | 0 | 1,063,416 | (7,202) | 1,056,214 | 0 | 0 | 1,056,214 |
| INCENTIVE PAY..... | 59,258 | 0 | 59,258 | 4,044 | 63,302 | 0 | 0 | 63,302 |
| SPECIAL PAY..... | 176,594 | 3,700 | 180,294 | (649) | 179,645 | 0 | 0 | 179,645 |
| BASIC ALLOWANCE FOR QUARTERS..... | 423,591 | 5,000 | 428,591 | 294 | 428,885 | 0 | 0 | 428,885 |
| VARIABLE HOUSING ALLOWANCES..... | 97,970 | 400 | 98,370 | 4,425 | 102,795 | 0 | 0 | 102,795 |
| BASIC ALLOWANCE FOR SUBSISTENCE..... | 147,054 | 0 | 147,054 | (551) | 146,503 | 0 | 0 | 146,503 |
| STATION ALLOWANCES OVERSEAS..... | 137,209 | 0 | 137,209 | 1,833 | 139,042 | 0 | 0 | 139,042 |
| CONUS COLA..... | 845 | 0 | 845 | 0 | 845 | 0 | 0 | 845 |
| UNIFORM ALLOWANCES..... | 2,468 | 0 | 2,468 | 101 | 2,569 | 0 | 0 | 2,569 |
| FAMILY SEPARATION ALLOWANCES..... | 4,164 | 0 | 4,164 | 66 | 4,230 | 0 | 0 | 4,230 |
| SEPARATION PAYMENTS..... | 188,687 | 0 | 188,687 | (5,638) | 183,049 | 0 | 0 | 183,049 |
| SOCIAL SECURITY TAX - | | | | | | | | |
| EMPLOYER CONTRIBUTION..... | 281,169 | 0 | 281,169 | 1,068 | 282,237 | 0 | 0 | 282,237 |
| REIMBURSABLES..... | 73,121 | 0 | 73,121 | 0 | 73,121 | 0 | 0 | 73,121 |
| TOTAL OBLIGATIONS..... | 5,914,553 | 9,100 | 5,923,653 | (24,302) | 5,899,351 | 0 | 0 | 5,899,351 |
| LESS REIMBURSABLES..... | 73,121 | 0 | 73,121 | 0 | 73,121 | 0 | 0 | 73,121 |
| TOTAL OFFICER DIRECT OBLIGATIONS..... | 5,841,432 | 9,100 | 5,850,532 | (24,302) | 5,826,230 | 0 | 0 | 5,826,230 |

SECTION 3
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)
FY 1997

| | FY 1997/97 PRESIDENTS BUDGET | IMPACT OF CONGRESSIONAL ACTION | AVAILABLE APPROPRIATION | INTERNAL REALIGNMENT/ REPROGRAMMING | SUBTOTAL | CONTINGENCY OPERATIONS | OTHER PRICE/PROGRAM CHANGES | FY 1997 COLUMN FY 1998 REQUEST |
|--|------------------------------------|--------------------------------------|----------------------------|---|------------|---------------------------|-----------------------------------|-----------------------------------|
| PAY AND ALLOWANCES OF ENLISTED | | | | | | | | |
| BASIC PAY..... | 7,200,237 | (5,965) | 7,194,272 | 13,205 | 7,207,477 | 0 | 0 | 7,207,477 |
| RETIRED PAY ACCRUAL..... | 2,348,201 | (1,945) | 2,346,256 | 4,305 | 2,350,561 | 0 | 0 | 2,350,561 |
| INCENTIVE PAY..... | 53,870 | 0 | 53,870 | 4 | 53,874 | 0 | 0 | 53,874 |
| SPECIAL PAY..... | 23,834 | 0 | 23,834 | (28) | 23,806 | 0 | 0 | 23,806 |
| SPECIAL DUTY ASSIGNMENT PAY..... | 35,719 | 6,400 | 42,119 | 5,113 | 47,232 | 0 | 0 | 47,232 |
| REENLISTMENT BONUS..... | 42,784 | 0 | 42,784 | 5,139 | 47,923 | 0 | 0 | 47,923 |
| ENLISTMENT BONUS..... | 12,300 | 0 | 12,300 | 11,999 | 24,299 | 0 | 0 | 24,299 |
| BASIC ALLOWANCE FOR QUARTERS..... | 1,024,330 | 10,782 | 1,035,112 | (38,444) | 996,668 | 0 | 0 | 996,668 |
| VARIABLE HOUSING ALLOWANCE..... | 171,792 | 6,652 | 178,444 | 7,716 | 186,160 | 0 | 0 | 186,160 |
| STATION ALLOWANCE OVERSEAS..... | 400,394 | 0 | 400,394 | 5,478 | 405,872 | 0 | 0 | 405,872 |
| CONUS COLA..... | 2,625 | 0 | 2,625 | (1,657) | 968 | 0 | 0 | 968 |
| CLOTHING ALLOWANCES..... | 181,231 | 0 | 181,231 | 20,773 | 202,004 | 0 | 0 | 202,004 |
| FAMILY SEPARATION ALLOWANCES..... | 30,184 | 0 | 30,184 | 1,748 | 31,932 | 0 | 0 | 31,932 |
| SEPARATION PAYMENTS..... | 309,170 | 0 | 309,170 | (36,652) | 272,518 | 0 | 0 | 272,518 |
| SOCIAL SECURITY TAX - | | | | | | | | |
| EMPLOYER CONTRIBUTION..... | 618,778 | (512) | 618,266 | 6,803 | 625,069 | 0 | 0 | 625,069 |
| REIMBURSABLES..... | 68,921 | 0 | 68,921 | 0 | 68,921 | 0 | 0 | 68,921 |
| TOTAL OBLIGATIONS..... | 12,524,370 | 15,412 | 12,539,782 | 5,502 | 12,545,284 | 0 | 0 | 12,545,284 |
| LESS REIMBURSABLES..... | 68,921 | 0 | 68,921 | 0 | 68,921 | 0 | 0 | 68,921 |
| TOTAL ENLISTED DIRECT OBLIGATIONS..... | 12,455,449 | 15,412 | 12,470,861 | 5,502 | 12,476,363 | 0 | 0 | 12,476,363 |
| PAY & ALLOWANCES OF CADETS | | | | | | | | |
| TOTAL OBLIGATIONS..... | 36,903 | 0 | 36,903 | 0 | 36,903 | 0 | 0 | 36,903 |
| TOTAL CADET DIRECT OBLIGATIONS..... | 36,903 | 0 | 36,903 | 0 | 36,903 | 0 | 0 | 36,903 |

SECTION 3
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)
FY 1997

| | FY 1997/97 PRESIDENTS BUDGET | IMPACT OF CONGRESSIONAL ACTION | AVAILABLE APPROPRIATION | INTERNAL REALIGNMENT/ REPROGRAMMING | SUBTOTAL | CONTINGENCY PRICE/PROGRAM CHANGES | OTHER PROGRAM CHANGES | REVISD FY 1997 COLUMN FY 1998 REQUEST |
|--|------------------------------------|--------------------------------------|----------------------------|---|-----------|--------------------------------------|-----------------------------|---|
| SUBSISTENCE OF | | | | | | | | |
| ENLISTED PERSONNEL | | | | | | | | |
| TOTAL OBLIGATIONS..... | 1,063,486 | 5,000 | 1,068,486 | 0 | 1,068,486 | 33,700 | 0 | 1,102,186 |
| REIMBURSABLES..... | 56,998 | 0 | 56,998 | 0 | 56,998 | 0 | 0 | 56,998 |
| TOTAL ENL. SUBSISTENCE DIRECT OBLIGATION | 1,006,488 | 5,000 | 1,011,488 | 0 | 1,011,488 | 33,700 | 0 | 1,045,188 |
| PERMANENT CHANGE OF STATION | | | | | | | | |
| ACCESSION TRAVEL..... | 131,090 | 0 | 131,090 | 5,001 | 136,091 | 0 | 0 | 136,091 |
| TRAINING TRAVEL..... | 52,266 | 0 | 52,266 | (4,874) | 47,392 | 0 | 0 | 47,392 |
| OPERATIONAL TRAVEL..... | 99,435 | 0 | 99,435 | 32,100 | 131,535 | 0 | 0 | 131,535 |
| ROTATIONAL TRAVEL..... | 532,420 | 4,360 | 536,780 | (7,360) | 529,420 | 0 | 0 | 529,420 |
| SEPARATION TRAVEL..... | 164,254 | 0 | 164,254 | 2,870 | 167,124 | 0 | 0 | 167,124 |
| ORGANIZED UNIT TRAVEL..... | 10,815 | 0 | 10,815 | (2,081) | 8,734 | 0 | 0 | 8,734 |
| NON-TEMPORARY STORAGE..... | 23,144 | 0 | 23,144 | 2,269 | 25,413 | 0 | 0 | 25,413 |
| TEMPORARY LODGING..... | 18,461 | 0 | 18,461 | (7,925) | 10,536 | 0 | 0 | 10,536 |
| REIMBURSABLES..... | 8,000 | 0 | 8,000 | 0 | 8,000 | 0 | 0 | 8,000 |
| TOTAL OBLIGATIONS..... | 1,039,885 | 4,360 | 1,044,245 | 20,000 | 1,064,245 | 0 | 0 | 1,064,245 |
| LESS REIMBURSABLES..... | | | | | | | | |
| TOTAL PCS DIRECT OBLIGATIONS..... | 8,000 | 0 | 8,000 | 0 | 8,000 | 0 | 0 | 8,000 |
| TOTAL PCS DIRECT OBLIGATIONS..... | 1,031,885 | 4,360 | 1,036,245 | 20,000 | 1,056,245 | 0 | 0 | 1,056,245 |

SECTION 3
ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)
FY 1997

| | FY 1997/97 PRESIDENT'S BUDGET | IMPACT OF CONGRESSIONAL ACTION | AVAILABLE APPROPRIATION | INTERNAL REALIGNMENT/ REPROGRAMMING | SUBTOTAL | CONTINGENCY PRICE/PROGRAM CHANGES | OPERATIONS | OTHER FY 1997 COLUMN FY 1998 REQUEST | REVISED |
|------------------------------------|-------------------------------------|--------------------------------------|----------------------------|---|------------|---|------------|--|---------|
| OTHER MILITARY PERSONNEL COSTS | | | | | | | | | |
| APPREHENSION OF MILITARY DESERTERS | | | | | | | | | |
| ABSENTEES AND ESCAPED MILITARY | | | | | | | | | |
| PRISONERS..... | 530 | 0 | 530 | 23 | 553 | 0 | 0 | 553 | |
| DEATH GRATUITIES..... | 2,190 | 0 | 2,190 | 162 | 2,352 | 0 | 0 | 2,352 | |
| UNEMPLOYMENT BENEFITS PAID TO | | | | | | | | | |
| EX-SERVICE MEMBERS..... | 121,462 | 0 | 121,462 | 2,452 | 123,914 | 0 | 0 | 123,914 | |
| SURVIVOR BENEFITS..... | 7,175 | 0 | 7,175 | 225 | 7,400 | 0 | 0 | 7,400 | |
| ADOPTION COSTS..... | 350 | 0 | 350 | 30 | 380 | 0 | 0 | 380 | |
| EDUCATIONAL BENEFITS..... | 76,754 | 0 | 76,754 | (4,455) | 72,299 | 0 | 0 | 72,299 | |
| SOLDIER INTEREST ON DEPOSIT..... | 120 | 0 | 120 | 363 | 483 | 0 | 0 | 483 | |
| REIMBURSABLES..... | 260 | 0 | 260 | 0 | 260 | 0 | 0 | 260 | |
| TOTAL OBLIGATIONS..... | 208,841 | 0 | 208,841 | (1,200) | 207,641 | 0 | 0 | 207,641 | |
| REIMBURSABLES..... | 260 | 0 | 260 | 0 | 260 | 0 | 0 | 260 | |
| TOTAL OMPC DIRECT OBLIGATIONS..... | 208,581 | 0 | 208,581 | (1,200) | 207,381 | 0 | 0 | 207,381 | |
| TOTAL DIRECT OBLIGATIONS..... | 20,580,738 | 33,872 | 20,614,610 | 0 | 20,614,610 | 33,700 | 0 | 20,648,310 | |

Section 3
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| | Amount |
|--|----------------------|
| FY 1997 Direct Program | \$ 20,648,310 |
| Increases: | |
| a. Pay raise Reflects annualized costs of the 3.0 percent FY 97 pay raise and the FY 98 2.8 percent pay raise. | 507,326 |
| b. Inflation Includes clothing, variable housing allowance, temporary lodging allowance, SIK, and PCS inflation costs. | 23,898 |
| c. BAQ/VHA program changes Primarily due to housing inventory changes, implementation of enlisted housing policy changes, and the start of Capital Venture Initiatives at Ft. Carson and Ft. Bragg. | 39,148 |
| d. Defense Working Capital Funds Projected decreased collections due to workload changes and revised rates. | 11,937 |
| Total Increases | \$ 582,309 |
| Decreases: | |
| a. Force Manning program costs Reflects slight variations in grade structure in a steady state environment. | -103,248 |
| b. Retired pay accrual The Normal Cost Percentage rate decrease from 32.6 percent in FY97 to 30.5 percent in FY98. | -221,330 |
| c. Overseas manning Reduced costs associated primarily with a more favorable currency exchange rate in Germany. | -141,165 |
| d. Unemployment payments Required payments to the Department of Labor for unemployment costs are expected to decrease FY97 to FY98. | -9,555 |
| e. FICA Wage Credit and G.I. Bill payments Reflects decrease in payments for wage credits required by HHS and lower G.I. Bill payments due to reduced enlisted accessions in FY98. | -7,155 |

| | | |
|---|----------|---------------|
| f. Enlisted Clothing Reflects changes in the enlisted accession program. | -6,065 | |
| g. Education Benefits Reflects expected lower payments to the Education Benefits Trust Fund. | -18,129 | |
| h. Separation Pays Reflects reduced separation pays as the downsizing ends. | -163,644 | |
| i. Reduced PCS Move Program Reflects a reduced overall PCS move program. | -13,891 | |
| j. Special/Incentive/Family Separation Allowance Pays Reflects reduced number receiving parachute pay and costs of contingency operations. | -15,471 | |
| k. Miscellaneous Reduced number receiving Special Duty Assignment Pay. | - 1,709 | |
| Total Decreases: | | \$ 701,362 |
| FY 1998 Direct Program | | \$ 20,529,257 |
| Increases: | | |
| a. Pay raise Reflects annualized costs of the budgeted 2.8 percent FY 98 pay and the FY 1999 3.0 percent pay raise. | 520,261 | |
| b. Inflation Reflects increased clothing, variable housing allowance, temporary lodging allowance, SIK, and PCS inflation costs. | 22,551 | |
| c. BAQ/VHA program changes Primarily due to housing inventory changes and changes in the percent receiving. | 2,167 | |
| d. Overseas Manning Reflects primarily changes in overseas manning. | 6,976 | |
| e. Defense Working Capital Funds Projected decreased collections due to workload changes and revised rates. | 18,155 | |
| f. Separation pay Reflects a net increase in officer/enlisted separation costs in FY99. | 5,861 | |

| | | |
|---|----------|---------------|
| g. Special/Incentive Pays Increased Officer Medical Pays. | 1,481 | |
| h. Unemployment Compensation Represents expected increased payments to HHS for Unemployment Compensation Costs. | 3,214 | |
| i. Selective Reenlistment Bonuses Programmed increased number of new payments. | 1,330 | |
| j. Miscellaneous | 413 | |
| Total Increases | | \$ 582,409 |
| Decreases: | | |
| a. Force Manning Many year cost savings due primarily to grade structure changes. | -106,716 | |
| b. Retired pay accrual Normal cost percentage rates decrease from 30.5 percent in FY98 to 30.2 percent in FY99. | -32,433 | |
| c. PCS Move Program | -9,589 | |
| Total Decreases: | | \$ -148,738 |
| FY 1999 Direct Program | | \$ 20,962,928 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| Pay and Allowances of Officers Program | | Amount |
|--|----------|--------------|
| FY 1997 Direct Program | | \$ 5,826,230 |
| Increases: | | |
| a. Pay Raise | 145,572 | |
| Reflects annualized costs of the 3.0 percent (4.6% for BAQ) 1 Jan 97 and the 2.8 percent (1.0% for BAS) 1 Jan 98 pay raises. | | |
| b. Inflation | 2,378 | |
| Reflects inflation costs for VHA and TLA. | | |
| c. BAQ/VHA Programs | 785 | |
| Implementation of Capital Venture Initiatives at Ft Carson and Ft Bragg. | | |
| Total Increases: | | \$ 148,735 |
| Decreases: | | |
| a. Separation Pay | -121,216 | |
| Reflects discontinued use of voluntary separation incentive programs as the officer strength reduction is completed. | | |
| b. Retired Pay Accrual | -69,004 | |
| NCP decreases from 32.6 percent to 30.5 percent. | | |
| c. Overseas Station Allowances (OSA) | -31,211 | |
| Reflects rate changes associated with foreign currency fluctuation. Also includes strength decreases in regions where OSA is authorized. | | |
| d. Force Manning | -10,640 | |
| Reflects the decrease associated with the officer strength reduction, including contingency operations. | | |
| e. FICA | -1,400 | |
| Wage credit transfer. | | |
| f. Miscellaneous | -890 | |
| Total Decreases: | | \$ -234,361 |
| FY 1998 Direct Program | | \$ 5,740,604 |

Increases:

| | |
|---|---------|
| a. Pay Raise | 154,294 |
| Reflects annualized costs of the 2.8 percent (1.0% for BAS) 1 Jan 98 and the 3.0 percent (1.0% for BAS) 1 Jan 99 pay raises. | |
| b. Separation Pay | 35,911 |
| Reflects net increased requirement for severance pay (non-promotion) to coincide with the discontinued use of SSB, VSI, and 15-year early retirement. | |
| c. Force Manning | 33,197 |
| Reflects changes in officer strength levels. | |
| d. Special Pay | 1,481 |
| Reflects increase for medical incentive special pay and multi-year special pay. | |
| e. Inflation | 2,240 |
| Reflects inflation costs for VHA and TLA. | |
| f. Miscellaneous | 85 |

Total Increases:

\$ 227,208

Decreases:

a. Retired Pay Accrual
NCP decreases from 30.5 percent to 30.2 percent.

-10,135

Total Decreases:

\$ -10,135

FY 1999 Direct Program

\$ 5,957,677

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------------|
| ESTIMATE FY 1999 | \$ 3,501,132 |
| ESTIMATE FY 1998 | \$ 3,378,493 |
| ESTIMATE FY 1997 | \$ 3,285,905 |
| ACTUAL FY 1996 | \$ 3,275,322 |

Project: Basic Pay - Officers

Part I - Purpose and Scope

The funds requested provide for the basic compensation and length of service pay increments of officers on active duty under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009. Also included is the compensation of officers of the reserve components who have entered active duty as members of the active component of the Army.

Part II - Justification of Funds Required

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation, including length of service increments, for each grade.

The net change in the basic pay estimate is +\$92.6 million between FY97 and FY98. This change is based on--

- (1) Annualization of the 1 Jan 97, 3.0 percent pay raise: +\$24.6 million.
- (2) The 1 Jan 98, 2.8 percent pay raise: +\$69.6 million.
- (3) Force manning changes, including contingency operations: -\$1.6 million.

The net change in the basic pay requirement is +\$122.6 million from FY98 to FY99. This change is based on--

- (1) Annualization of the 1 Jan 98, 2.8 percent pay raise: +\$23.7 million.
- (2) The 1 Jan 99, 3.0 percent pay raise: +\$77.1 million.
- (3) Force manning changes: +\$21.8 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------------|-------------------|------------|--------------|-------------------|------------|--------------|-------------------|------------|--------------|-------------------|------------|--------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| GENERAL..... | 13 | \$ 108,202 | \$ 1,407 | 11 | \$ 110,636 | \$ 1,217 | 11 | \$ 113,788 | \$ 1,252 | 11 | \$ 117,146 | \$ 1,289 |
| LT. GENERAL..... | 38 | 103,627 | 3,938 | 34 | 106,584 | 3,624 | 34 | 109,622 | 3,727 | 34 | 112,859 | 3,837 |
| MAJOR GENERAL..... | 97 | 93,893 | 9,108 | 106 | 96,571 | 10,237 | 106 | 99,323 | 10,528 | 106 | 102,255 | 10,839 |
| BRIG. GENERAL..... | 152 | 82,862 | 12,595 | 151 | 85,227 | 12,869 | 151 | 87,657 | 13,236 | 151 | 90,245 | 13,627 |
| COLONEL..... | 3,640 | 70,396 | 256,242 | 3,784 | 72,656 | 274,929 | 3,828 | 74,642 | 285,729 | 3,844 | 77,095 | 296,351 |
| LT. COLONEL..... | 9,225 | 56,489 | 521,108 | 9,012 | 58,264 | 525,073 | 9,095 | 59,818 | 544,043 | 9,191 | 61,743 | 567,480 |
| MAJOR..... | 14,913 | 46,063 | 686,942 | 14,838 | 47,324 | 702,195 | 14,766 | 48,395 | 714,606 | 15,202 | 49,756 | 756,397 |
| CAPTAIN..... | 24,451 | 37,945 | 927,799 | 22,585 | 39,076 | 882,527 | 23,189 | 40,028 | 928,218 | 23,346 | 41,230 | 962,565 |
| 1ST LIEUTENANT..... | 8,587 | 29,828 | 256,129 | 9,019 | 30,565 | 275,663 | 8,902 | 31,172 | 277,494 | 8,209 | 31,964 | 262,393 |
| 2ND LIEUTENANT..... | 9,392 | 22,102 | 207,580 | 8,891 | 22,745 | 202,222 | 8,555 | 23,299 | 199,320 | 8,836 | 23,994 | 212,014 |
| SUBTOTAL..... | 70,508 | | \$ 2,882,848 | 68,431 | | \$ 2,890,556 | 68,637 | | \$ 2,978,153 | 68,930 | | \$ 3,086,792 |
| WARRANT OFF. (W-5) | 390 | \$ 49,877 | \$ 19,452 | 384 | \$ 51,298 | \$ 19,698 | 399 | \$ 52,515 | \$ 20,954 | 396 | \$ 54,052 | \$ 21,404 |
| WARRANT OFF. (W-4) | 1,373 | 44,732 | 61,418 | 1,572 | 46,006 | 72,322 | 1,559 | 47,100 | 73,429 | 1,564 | 48,478 | 75,819 |
| WARRANT OFF. (W-3) | 3,007 | 35,248 | 105,991 | 2,924 | 36,238 | 105,961 | 2,873 | 37,085 | 106,546 | 2,882 | 38,155 | 109,963 |
| WARRANT OFF. (W-2) | 5,529 | 28,703 | 158,700 | 4,803 | 29,611 | 142,223 | 4,699 | 30,407 | 142,882 | 4,714 | 31,392 | 147,980 |
| WARRANT OFF. (W-1) | 1,890 | 24,822 | 46,913 | 2,131 | 25,878 | 55,145 | 2,105 | 26,855 | 56,529 | 2,112 | 28,018 | 59,174 |
| SUBTOTAL..... | 12,189 | | \$ 392,474 | 11,814 | | \$ 395,349 | 11,635 | | \$ 400,340 | 11,668 | | \$ 414,340 |
| TOTAL OFFICER BASIC PAY..... | 82,697 | | \$ 3,275,322 | 80,245 | | \$ 3,285,905 | 80,272 | | \$ 3,378,493 | 80,598 | | \$ 3,501,132 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------------|
| ESTIMATE FY 1999 | \$ 1,057,342 |
| ESTIMATE FY 1998 | \$ 1,030,440 |
| ESTIMATE FY 1997 | \$ 1,071,205 |
| ACTUAL FY 1996 | \$ 1,077,581 |

Project: Retired Pay Accrual - Officers

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 USC 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of:

- (a) The DOD Actuary approved full-time normal cost percentage (NCP) of basic pay, i.e., 32.9% for FY96, 32.6% for FY97, 30.5% for FY98, and 30.2% for FY99.
- (b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The net change in the retired pay accrual estimate is -\$40.8 million from FY97 to FY98. This change is based on--

- (1) Annualization of the 1 Jan 97, 3.0 percent pay raise: +\$7.5 million.
- (2) The 1 Jan 98, 2.8 percent pay raise: +\$21.2 million.
- (3) Decrease in NCP from 32.6% to 30.5%: -\$69.0 million.
- (4) Force manning changes: -\$0.5 million.

The net change in the retired pay accrual estimate is +\$26.9 million between FY98 and FY99. This change is based on--

- (1) Annualization of the 1 Jan 98, 2.8 percent pay raise: +\$7.2 million.
- (2) The 1 Jan 99, 3.0 percent pay raise: +\$23.3 million.
- (3) Decrease in NCP from 30.5% to 30.2%: -\$10.1 million.
- (4) Force manning changes: +\$6.5 million.

Detailed cost computations are provided by the following table:

OFFICER RETIRED PAY ACCRUAL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------------|-----------|--------------|--------------------------------|-----------|--------------|--------------------------------|-----------|--------------|--------------------------------|-----------|--------------|
| OFFICER AVERAGE STRENGTH | RATE | AMOUNT | OFFICER AVERAGE STRENGTH | RATE | AMOUNT | OFFICER AVERAGE STRENGTH | RATE | AMOUNT | OFFICER AVERAGE STRENGTH | RATE | AMOUNT |
| 82,697 | 13,030.47 | \$ 1,077,581 | 80,245 | 13,349.18 | \$ 1,071,205 | 80,272 | 12,836.86 | \$ 1,030,440 | 80,598 | 13,118.71 | \$ 1,057,342 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 58,102
\$ 57,898
\$ 63,302
\$ 64,828

Project: Incentive Pay for Hazardous Duty - Officers

Part I - Purpose and Scope

The funds requested will provide for pay to officers under provisions of 37 U.S.C. 301 for these types of duty:

Flight Aviation Service (Rated Officers) - includes rated aviators, who are entitled to continuous aviation career incentive pay, regardless of current duty assignment, as prescribed by the Aviation Career Incentive Act of 1974. In addition, aviators who are assigned to operational flying positions and flight surgeons, both of whom are required to fly at least four hours of aerial flight each month are eligible.

Flight Crew Member/Noncrewmember (Nonrated Officers) - assigned to a position that requires at least four hours of aerial flight each month. Noncrewmembers perform duties directly related to the in-flight mission of the aircraft, e.g., ground liaison officers, aviation maintenance technicians, or aeromedical physicians assistants. The duties performed by crew members are essential to the mission of the aircraft, e.g., aerial observers and airborne electrical equipment sensor operators.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne-type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for the short-term parachute duty is prorated based on the duration of the period for which parachute jumping is required.

High Altitude Low Opening Jump Pay - assigned to a permanent military freefall position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army Military Free-fall Course at the US Army John F. Kennedy Special Warfare

School. Soldiers must be a graduate of military free-fall course or undergoing training for such designation. They must also be required by orders to engage in military free-fall jumps from an aircraft in flight and perform the specified minimum jumps to be entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member, as his primary duty to demolish, by the use of explosives objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which become a potential hazard. Demolition pay is limited to those serving in Specialty 91E (Explosive Ordnance Disposal Officer).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, AL and the Armed Forces Institute of Pathology; Washington, DC.

Toxic Pesticides Exposure - assigned to the entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more, and required to perform in any calendar month a fumigation task utilizing (1) phosphine, sulfur dioxide, hydrogen cyanide, methyl bromide, or (2) a fumigant of comparable high acute toxicity and hazard potential.

Chemical Munitions - this is a peacetime hazardous incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, dilute solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

Part II - Justification of Funds Requested

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for aviation service (rated officers) is obtained by multiplying the projected average number of personnel authorized for this type of pay by rates established in 37 USC 301a for years of aviation service or years of officer service to include a specified number of years in jobs which justify flying. The compensation for all other types of incentive pay is arrived at by multiplying the projected number of each type by the statutory rate.

The estimate for incentive pay decreases by \$5.4 million between FY97 and FY98 due to a reduced number of officers receiving flying duty pay (-\$4.1 million). Also, an Army decision to reduce the number of paid parachute positions as a cost savings initiative lowers the requirement for parachute pay by \$1.3 million from FY97 to FY98.

Detailed cost computations are provided by the following table:

OFFICER INCENTIVE PAY FOR HAZARDOUS DUTY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------------------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| INCENTIVE PAY | | | | | | | | | | | | |
| FLYING DUTY COMMISSIONED | | | | | | | | | | | | |
| OFFICERS CATEGORY | | | | | | | | | | | | |
| 125..... | 736 | \$ 1,500 | \$ 1,104 | 712 | \$ 1,500 | \$ 1,068 | 597 | \$ 1,500 | \$ 896 | 601 | \$ 1,500 | \$ 902 |
| 156..... | 348 | 1,872 | 651 | 346 | 1,872 | 648 | 336 | 1,872 | 629 | 338 | 1,872 | 633 |
| 188..... | 358 | 2,256 | 808 | 363 | 2,256 | 819 | 387 | 2,256 | 873 | 390 | 2,256 | 880 |
| 206..... | 785 | 2,472 | 1,941 | 760 | 2,472 | 1,879 | 636 | 2,472 | 1,572 | 641 | 2,472 | 1,585 |
| 250..... | 29 | 3,000 | 87 | 28 | 3,000 | 84 | 26 | 3,000 | 78 | 26 | 3,000 | 78 |
| 310 / 385..... | 182 | 4,620 | 841 | 179 | 4,620 | 827 | 166 | 4,620 | 767 | 167 | 4,620 | 772 |
| 340 / 495..... | 204 | 5,940 | 1,212 | 201 | 5,940 | 1,194 | 189 | 5,940 | 1,123 | 191 | 5,940 | 1,135 |
| 370 / 585..... | 232 | 7,020 | 1,629 | 241 | 7,020 | 1,692 | 284 | 7,020 | 1,994 | 286 | 7,020 | 2,008 |
| 400 / 650..... | 2,241 | 7,800 | 17,480 | 2,196 | 7,800 | 17,129 | 1,977 | 7,800 | 15,421 | 1,993 | 7,800 | 15,545 |
| SUBTOTAL..... | 5,115 | | \$ 25,753 | 5,026 | | \$ 25,340 | 4,598 | | \$ 23,353 | 4,633 | | \$ 23,538 |
| WARRANT OFFICERS CATEGORY | | | | | | | | | | | | |
| 125..... | 594 | 1,500 | 891 | 617 | 1,500 | 926 | 732 | 1,500 | 1,098 | 732 | 1,500 | 1,098 |
| 156..... | 401 | 1,872 | 751 | 448 | 1,872 | 839 | 680 | 1,872 | 1,273 | 680 | 1,872 | 1,273 |
| 188..... | 610 | 2,256 | 1,376 | 562 | 2,256 | 1,268 | 326 | 2,256 | 735 | 326 | 2,256 | 735 |
| 206..... | 949 | 2,472 | 2,346 | 978 | 2,472 | 2,418 | 1,123 | 2,472 | 2,776 | 1,124 | 2,472 | 2,779 |
| 400 / 650..... | 3,252 | 7,800 | 25,366 | 3,186 | 7,800 | 24,851 | 2,864 | 7,800 | 22,339 | 2,866 | 7,800 | 22,355 |
| SUBTOTAL..... | 5,806 | | \$ 30,730 | 5,791 | | \$ 30,302 | 5,725 | | \$ 28,221 | 5,728 | | \$ 28,240 |
| TOTAL FLYING DUTY CREW..... | 10,921 | | \$ 56,483 | 10,817 | | \$ 55,642 | 10,323 | | \$ 51,574 | 10,361 | | \$ 51,778 |
| FLYING DUTY NON-CREW MEMBERS. | | | | | | | | | | | | |
| CREW-NONRATED..... | 84 | 1,320 | 111 | 84 | 1,320 | 111 | 84 | 1,320 | 111 | 84 | 1,320 | 111 |
| | 41 | 2,520 | 103 | 41 | 2,520 | 103 | 41 | 2,520 | 103 | 41 | 2,520 | 103 |
| TOTAL FLYING DUTY PAY..... | 11,046 | | \$ 56,697 | 10,942 | | \$ 55,856 | 10,448 | | \$ 51,788 | 10,486 | | \$ 51,992 |
| OTHER HAZARDOUS DUTY | | | | | | | | | | | | |
| PARACHUTE JUMPING..... | 5,689 | 1,320 | 7,509 | 5,230 | 1,320 | 6,904 | 4,220 | 1,320 | 5,570 | 4,220 | 1,320 | 5,570 |
| EXPERIMENTAL STRESS..... | 34 | 1,320 | 45 | 34 | 1,320 | 45 | 35 | 1,320 | 46 | 35 | 1,320 | 46 |
| DEMOLITION OF EXPLOSIVES... | 155 | 1,320 | 205 | 137 | 1,320 | 181 | 135 | 1,320 | 178 | 135 | 1,320 | 178 |
| TOXIC PESTICIDES EXPOSURE.. | 4 | 1,320 | 5 | 4 | 1,320 | 5 | 4 | 1,320 | 5 | 4 | 1,320 | 5 |
| CHEMICAL MUNITIONS..... | 24 | 1,320 | 32 | 24 | 1,320 | 32 | 24 | 1,320 | 32 | 24 | 1,320 | 32 |
| HIGH ALTITUDE JUMP PAY..... | 169 | 1,980 | 335 | 141 | 1,980 | 279 | 141 | 1,980 | 279 | 141 | 1,980 | 279 |
| SUB-TOTAL..... | 6,075 | | 8,131 | 5,570 | | 7,446 | 4,559 | | 6,110 | 4,559 | | 6,110 |
| TOTAL OFFICER INCENTIVE PAY | | | | | | | | | | | | |
| FOR HAZARDOUS PAY..... | 17,121 | | 64,828 | 16,512 | | 63,302 | 15,007 | | 57,898 | 15,045 | | 58,102 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

180,691
179,210
179,645
184,212

Project: Special Pay - Officers

Part I - Purpose and Scope

Funds requested in this account are authorized to provide monetary incentives for the procurement and retention of officers assigned as physicians, dentists, nurses, psychologists, non-physician health care providers, veterinarians, optometrists, divers, and linguists. Additionally, this account includes special pays authorized to general officers to partially offset extraordinary expenses incurred in the performance of their official duties. Finally, this account covers special pays authorized for officers, who are assigned sea duty and those who are on duty subject to hostile fire or imminent danger.

Special Pay for Physicians - these payments are authorized by 37 USC 302, as amended. They are intended to provide a monetary incentive for the procurement and retention of medical officers. A physician may qualify for the following pays:

- (1) Variable Special Pay - paid monthly as an automatic entitlement to all medical corps officers on active duty. The annual rate of pay is based upon the number of years of creditable service for special pay. The annual amounts range from \$1,200 to \$12,000.
- (2) Board Certified Pay - paid on a monthly basis to medical corps officers who are currently certified by an American medical or osteopathic examining board. The annual rate payable is determined by the number of years of creditable service for special pay. The annual amounts range from \$2,500 to \$6,000.
- (3) Additional Special Pay - paid as a lump sum bonus to medical corps officers, who are not undergoing internship or initial residency training and who execute an agreement to remain on active duty for one year. The annual payment for all recipients is \$15,000.
- (4) Incentive Special Pay (ISP)/Medical Incentive Pay - paid as a lump sum bonus to administratively eligible medical officers, who are fully qualified in Department of Army (DA) selected specialty categories and who execute an agreement to remain on active duty for a period of not less than 12 months. The Office of the Surgeon General develops an ISP program annually

tailored to meet the critical needs of the following year. The FY88 and FY89 DOD Authorization Act lifted the budget ceiling for ISP (previously the amount spent for ISP could not exceed six percent of the total amount spent for all four medical special pays) and removed the individual payment ceiling for critical wartime specialties. The maximum individual payments for any officer whose category has not been designated as a critically needed wartime specialty remained at \$8,000. Public law 101-189 again changed ISP rules by rescinding the \$8,000 payment ceiling for other shortage specialties and allowing individual ISP payments to rise to \$22,000 beginning in FY91; to \$29,000 beginning in FY92; and \$36,000 for any twelve month period beginning after FY92.

(5) Multi-year Special Pay - the FY91 DOD Authorization Act (PL 101-510) authorized a new multi-year special pay to be used in conjunction with ISP. Officers must be either unobligated for medical education and training or must have eight years of creditable service. There are three categories of specialties/pays with different pay levels for 2 year, 3 year, and 4 year contracts. The annual amounts range from \$2,000 to \$14,000.

Other Special Pay - Dentist Pay - these payments are authorized by 37 USC 302b, 302h, and 311 and are intended to provide monetary incentives for the procurement and retention of dental officers. The FY97 Authorization Act increased the rates for three type of dental pays and also authorized the use of a dental accession bonus. The types of pay for which a dentist may qualify under the revised dental special pay program are:

(1) Variable Special Pay - paid monthly as an automatic entitlement to all dental corps officers on active duty. The annual rate of pay is based on the number of years of creditable service for special pay. Effective 1 Oct 96 the annual rate ranges from \$1,000 to \$7,000.

(2) Board Certified Pay - paid on a monthly basis to dental corps officers, who are currently certified by an American dental association specialty examining board or who have been awarded board certification equivalency by the surgeon general. The annual rate is based on the number of years of creditable service for special pay. Effective 1 Oct 96 the annual rate ranges from \$2,500 to \$6,000.

(3) Additional Special Pay - paid as a lump sum bonus to dental corps officers, who are not undergoing internship of initial residency training, have a minimum of three years of creditable service for special pay, and who execute an agreement to remain on active duty for one year. The rate of pay is based on the number of years of creditable service for special pay. Effective 1 Oct 96 the payment amount ranges from \$4,000 to \$10,000.

(4) Accession Bonus - paid to an individual who is a graduate of an accredited dental school and who executes an agreement to remain on active duty as a commissioned officer for a period of not less than 4 four years. The amount of the accession bonus may not exceed \$30,000.

Nurses - PL 101-189 authorized incentive special pay for nurse anesthetists and an accession bonus for nurses. Nurse anesthetist special pay of \$6,000 per individual for 1 year requires a written agreement to remain on active duty for a period of not less than 12 months. The FY95 National Defense Authorization Act increased the individual payment amount from \$6,000 to \$15,000 for nurse anesthetists with more than 4 years of service. The accession bonus of \$5,000 per individual requires acceptance of a commission as an officer combined with an agreement to remain on active duty for 4 years.

Board Certified Pay for Non-physician Health Care Providers - authorized by the FY91 DOD Authorization Act. It is paid on a monthly basis to an officer who is a health care provider based on the definition provided by DOD Directive 6025.11, has a post baccalaureate degree in the officer's clinical specialty and is certified by a professional board in the officer's specialty. The annual rate of pay is based on years of creditable service. The annual amounts range from \$2,000 to \$5,000.

Optometrists - these payments are authorized by 37 USC section 302a and are intended to provide monetary incentives for the procurement and retention of optometry officers. These officers are authorized \$100 per month of active duty.

Veterinarians - these payments are authorized by 37 USC section 303 and are intended to provide monetary incentives for the procurement and retention of veterinary officers. These officers are authorized \$100 per month of active duty.

Personal Allowance, General Officers - in addition to other pay and allowances authorized, an officer who is entitled to basic pay is entitled to a personal money allowance of (1) \$500 a year while serving in the grade of lieutenant general, (2) \$2,200 per year while serving in the grade of general, (3) \$2,200 in addition to the personal money allowance in (1) above while serving as a senior member of the military staff committee of the United Nations and (4) \$4,000 per year, in place of any other personal money allowance, while serving as Chief of Staff of the Army (37 USC 414). Additionally, an officer serving as the Chairman of the Joint Chiefs of Staff is entitled to \$4,000 per year in place of any other personal money allowance (37 USC 413). This allowance is intended to partially reimburse high ranking officers for the many unusual personal expenses they incur in the performance of their official duties.

Diving Duty Pay - under regulations prescribed by the Secretary of the Army, an officer or warrant officer who is entitled to basic pay is entitled to special pay at a rate of not more than \$200 a month for periods during which they (1) are assigned by orders to the duty of diving, (2) are required to maintain proficiency as a diver by frequent and regular dives, and (3) actually performs diving duty (37 USC 304). Dive officers are assigned to a position as the leader of a diving detachment which supports marine or special operation units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassing and interdiction, and reconnaissance operations.

Sea Duty Pay - Army members who are entitled to basic pay are also entitled, while on sea duty, to special pay at rates which vary with grade and years of sea duty. The range of rates for warrant officers and officers is \$130 to \$410 per month. The term "sea duty" means duty performed by a member (1) while assigned to a ship, and while serving on a ship the primary mission of which is accomplished while underway; or (2) while assigned to a ship and while serving on a ship the primary mission of which is normally accomplished while in port, but only while the ship is away from its home port for 30 or more consecutive days. Additionally, the member entitled to career sea pay who has served 36 consecutive months of sea duty is entitled to a career sea pay premium of \$100 per month for the 37th month and each consecutive month of sea duty served (37 USC 305a). Individuals who are affected by career sea pay are generally assigned to one of four locations: Fort Eustis, Virginia; Hawaii; Panama; and the Azores.

Foreign Language Proficiency Pay (FLPP) - this pay is authorized under the provisions of 37 USC 316. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate may not exceed \$100.00 per individual.

Hostile Fire Pay - paid to officers on duty subject to hostile fire or imminent danger (37 USC 310). Paid at the rate of \$150 per month.

Part II - Justification of Funds Requested

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment.

From FY98 to FY99, the estimate for special pay increases by a net \$1.5 million. This increase is primarily for medical incentive special pay and multi-year special pay.

Detailed cost computations are provided by the following table:

OFFICER SPECIAL PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SPECIAL PAY FOR PHYSICIANS | | | | | | | | | | | | |
| VARIABLE SPECIAL PAY..... | 4,794 | \$ 7,762 | \$ 37,211 | 4,481 | \$ 7,983 | \$ 35,772 | 4,410 | \$ 7,963 | \$ 35,117 | 4,405 | \$ 7,966 | \$ 35,090 |
| ADDITIONAL SPECIAL PAY..... | 3,453 | 15,000 | 51,795 | 3,185 | 15,000 | 47,775 | 3,076 | 15,000 | 46,140 | 3,069 | 15,000 | 46,035 |
| BOARD CERTIFIED PAY..... | 2,627 | 3,713 | 9,754 | 2,511 | 3,894 | 9,778 | 2,624 | 3,798 | 9,966 | 2,624 | 3,798 | 9,966 |
| MEDICAL INCENTIVE PAY..... | 2,852 | 17,505 | 49,924 | 2,712 | 19,051 | 51,666 | 2,712 | 19,583 | 53,109 | 2,712 | 19,990 | 54,213 |
| MED. MULTI-YEAR SPEC. PAY.. | 987 | 9,574 | 9,450 | 866 | 9,970 | 8,634 | 895 | 9,945 | 8,901 | 920 | 9,951 | 9,155 |
| SUBTOTAL..... | 14,713 | | \$ 158,134 | 13,755 | | \$ 153,625 | 13,717 | | \$ 153,233 | 13,730 | | \$ 154,459 |
| OTHER SPECIAL PAY | | | | | | | | | | | | |
| DENTIST PAY | | | | | | | | | | | | |
| VARIABLE SPECIAL PAY..... | 1,106 | \$ 3,617 | \$ 4,000 | 1,115 | \$ 4,673 | \$ 5,210 | 1,126 | \$ 4,677 | \$ 5,266 | 1,130 | \$ 4,707 | \$ 5,319 |
| BOARD CERTIFIED PAY..... | 415 | 3,795 | 1,575 | 420 | 5,336 | 2,241 | 425 | 5,322 | 2,262 | 426 | 5,312 | 2,263 |
| ADDITIONAL SPECIAL PAY... | 877 | 7,558 | 6,628 | 1,066 | 7,205 | 7,681 | 1,076 | 7,178 | 7,724 | 1,079 | 7,155 | 7,720 |
| ACCESSION BONUS..... | 0 | 0 | 0 | 56 | 30,000 | 1,680 | 80 | 30,000 | 2,400 | 85 | 30,000 | 2,550 |
| SAVED PAY..... | | | 23 | | | 12 | | | 10 | | | 9 |
| SUBTOTAL..... | 2,398 | | \$ 12,226 | 2,657 | | \$ 16,824 | 2,707 | | \$ 17,662 | 2,720 | | \$ 17,861 |
| NURSE PAY | | | | | | | | | | | | |
| ACCESSION BONUS..... | 41 | \$ 5,000 | \$ 205 | 75 | \$ 5,000 | \$ 375 | 75 | \$ 5,000 | \$ 375 | 75 | \$ 5,000 | \$ 375 |
| ANESTHETISTS PAY..... | 202 | 10,946 | 2,211 | 276 | 11,804 | 3,258 | 276 | 11,804 | 3,258 | 276 | 11,804 | 3,258 |
| SUBTOTAL..... | 243 | | \$ 2,416 | 351 | | \$ 3,633 | 351 | | \$ 3,633 | 351 | | \$ 3,633 |
| BOARD CERTIFIED PAY FOR NON-PHYSICIAN | | | | | | | | | | | | |
| HEALTH CARE PROVIDERS... | 86 | 3,488 | 300 | 372 | 3,468 | 1,290 | 389 | 3,470 | 1,350 | 406 | 3,473 | 1,410 |
| OPTOMETRISTS..... | 120 | \$ 1,200 | \$ 144 | 125 | \$ 1,200 | \$ 150 | 125 | \$ 1,200 | \$ 150 | 125 | \$ 1,200 | \$ 150 |
| VETERINARIANS..... | 398 | \$ 1,200 | \$ 478 | 430 | \$ 1,200 | \$ 516 | 430 | \$ 1,200 | \$ 516 | 430 | \$ 1,200 | \$ 516 |
| TOTAL MEDICAL PAY..... | 17,958 | | \$ 173,698 | 17,690 | | \$ 176,038 | 17,719 | | \$ 176,544 | 17,762 | | \$ 178,029 |

OFFICER SPECIAL PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| PERSONAL ALLOWANCES | | | | | | | | | | | | |
| GENERAL OFFICERS | | | | | | | | | | | | |
| CHAIRMAN, JCS..... | 1 | \$ 4,000 | \$ 4 | 1 | \$ 4,000 | \$ 4 | 1 | \$ 4,000 | \$ 4 | 1 | \$ 4,000 | \$ 4 |
| CHIEF OF STAFF..... | 1 | 4,000 | 4 | 1 | 4,000 | 4 | 1 | 4,000 | 4 | 1 | 4,000 | 4 |
| SENIOR MEMBER OF STAFF | | | | | | | | | | | | |
| COMMITTEE OF UNITED | | | | | | | | | | | | |
| NATIONS..... | 1 | 2,700 | 3 | 1 | 2,700 | 3 | 1 | 2,700 | 3 | 1 | 2,700 | 3 |
| GENERAL..... | 11 | 2,200 | 24 | 9 | 2,200 | 20 | 9 | 2,200 | 20 | 9 | 2,200 | 20 |
| LIEUTENANT GENERAL..... | 37 | 500 | 19 | 33 | 500 | 17 | 33 | 500 | 17 | 33 | 500 | 17 |
| SUBTOTAL..... | 51 | | \$ 54 | 45 | | \$ 48 | 45 | | \$ 48 | 45 | | \$ 48 |
| DIVING DUTY PAY..... | 82 | \$ 2,159 | \$ 177 | 82 | \$ 2,159 | \$ 177 | 84 | \$ 2,155 | \$ 181 | 82 | \$ 2,159 | \$ 177 |
| HOSTILE FIRE PAY..... | 4,686 | 1,800 | 8,435 | 886 | 1,800 | 1,595 | 361 | 1,800 | 650 | 361 | 1,800 | 650 |
| SEA DUTY PAY..... | 103 | 3,417 | 352 | 102 | 3,402 | 347 | 102 | 3,402 | 347 | 102 | 3,402 | 347 |
| FOREIGN LANGUAGE PAY..... | 2,078 | 720 | 1,496 | 2,000 | 720 | 1,440 | 2,000 | 720 | 1,440 | 2,000 | 720 | 1,440 |
| TOTAL OFFICER SPECIAL PAY..... | 24,958 | | \$ 184,212 | 20,805 | | \$ 179,645 | 20,311 | | \$ 179,210 | 20,352 | | \$ 180,691 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 458,552
\$ 442,818
\$ 430,317
\$ 425,076

Project: Basic Allowance for Quarters - Officers

Part I - Purpose and Scope

The member who is entitled to basic pay is entitled to a basic allowance for quarters (BAQ) at monthly rates according to the pay grade in which the member is assigned or distributed for basic pay purposes. However, a member who is assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service appropriate to the member's grade, rank or rating, and adequate for the member and the member's dependents if with dependents, is not entitled to a BAQ, except that a member assigned to such quarters may not be denied a BAQ if, because of orders of competent authority, the member's dependents are prevented from occupying those quarters (37 USC 403). There are four types of BAQ payments: (1) to members with dependents, not occupying government quarters; (2) to members without dependents, not occupying government quarters; (3) partial payment to members without dependents assigned to single-type quarters; and (4) to members with dependents occupying inadequate housing. Under the provisions of P.L. 97-214, dated 12 July 82, effective 1 October 82, the rental charge for inadequate quarters will be the fair rental value for such quarters, not to exceed 75 percent of the occupant's BAQ at the with dependents rate. As part of the Quality of Life Proposal, BAQ rates increased for With and Without Dependents to 5.2 percent in FY96 (1.8 percent above the pay raise amount) and 4.6 percent in FY97 (1.6 percent above the pay raise amount).

Part II - Justification of Funds Requested

The BAQ estimate increases by a net \$12.5 million from FY97 to FY98. This change is based on--

- (1) Annualization of the 1 Jan 97, 4.6 percent pay raise: +\$4.8 million.
- (2) The 1 Jan 98, 2.8 percent pay raise: +\$9.1 million.
- (3) Force Manning changes: -\$2.0 million.
- (4) Implementation of housing Capital Venture Initiatives (CVI) at Fort Carson, CO and Fort Bragg, NC: +\$0.6 million.

From FY98 to FY99, the BAQ requirement increases by a net \$15.7 million. This change is based on--

- (1) Annualization of the 1 Jan 98, 2.8 percent pay raise: +\$3.0 million.
- (2) The 1 Jan 99, 3.0 percent pay raise: +\$10.1 million.
- (3) Force manning changes: +\$2.6 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR QUARTERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-----------------------------------|-----------------------------|--------|------------|-------------------|--------|------------|-------------------|--------|------------|-------------------|--------|------------|
| | ACTUAL AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| BAQ WITH DEPENDENTS | | | | | | | | | | | | |
| GENERAL..... | 53 | \$ 0 | \$ 611 | 52 | \$ 0 | \$ 626 | 52 | \$ 0 | \$ 647 | 52 | \$ 0 | \$ 665 |
| COLONEL..... | 2,176 | 10,357 | 22,537 | 2,247 | 10,849 | 24,378 | 2,255 | 11,200 | 25,256 | 2,265 | 11,530 | 26,115 |
| LIEUTENANT COLONEL..... | 5,912 | 9,984 | 59,025 | 5,738 | 10,458 | 60,008 | 5,744 | 10,796 | 62,012 | 5,805 | 11,114 | 64,517 |
| MAJOR..... | 8,434 | 8,800 | 74,219 | 8,337 | 9,217 | 76,842 | 8,229 | 9,516 | 78,307 | 8,472 | 9,796 | 82,992 |
| CAPTAIN..... | 11,868 | 7,347 | 87,194 | 10,905 | 7,697 | 83,936 | 11,094 | 7,946 | 88,153 | 11,168 | 8,180 | 91,354 |
| 1ST LIEUTENANT..... | 2,502 | 6,384 | 15,973 | 2,612 | 6,691 | 17,477 | 2,557 | 6,908 | 17,664 | 2,358 | 7,111 | 16,768 |
| 2ND LIEUTENANT..... | 2,328 | 5,775 | 13,444 | 2,189 | 6,046 | 13,235 | 2,090 | 6,241 | 13,044 | 2,159 | 6,425 | 13,872 |
| OFFICER SUBTOTAL..... | 33,273 | | \$ 273,003 | 32,080 | | \$ 276,502 | 32,021 | | \$ 285,083 | 32,279 | | \$ 296,283 |
| WARRANT OFFICER (5)..... | 282 | 8,494 | 2,395 | 274 | 8,897 | 2,438 | 284 | 9,185 | 2,609 | 282 | 9,456 | 2,667 |
| WARRANT OFFICER (4)..... | 993 | 7,787 | 7,732 | 1,129 | 8,156 | 9,208 | 1,111 | 8,420 | 9,355 | 1,115 | 8,668 | 9,665 |
| WARRANT OFFICER (3)..... | 1,930 | 7,136 | 13,772 | 1,864 | 7,474 | 13,932 | 1,818 | 7,716 | 14,028 | 1,824 | 7,944 | 14,490 |
| WARRANT OFFICER (2)..... | 2,841 | 6,564 | 18,648 | 2,451 | 6,875 | 16,851 | 2,380 | 7,097 | 16,891 | 2,387 | 7,307 | 17,442 |
| WARRANT OFFICER (1)..... | 884 | 5,678 | 5,019 | 989 | 5,948 | 5,883 | 970 | 6,140 | 5,956 | 974 | 6,321 | 6,157 |
| WARRANT OFFICER SUBTOTAL..... | 6,930 | | \$ 47,566 | 6,707 | | \$ 48,312 | 6,563 | | \$ 48,839 | 6,582 | | \$ 50,421 |
| TOTAL BAQ WITH DEPENDENTS..... | 40,203 | | \$ 320,569 | 38,787 | | \$ 324,814 | 38,584 | | \$ 333,922 | 38,861 | | \$ 346,704 |
| BAQ WITHOUT DEPENDENTS | | | | | | | | | | | | |
| GENERAL..... | 3 | \$ 0 | \$ 28 | 3 | \$ 0 | \$ 30 | 3 | \$ 0 | \$ 30 | 3 | \$ 0 | \$ 31 |
| COLONEL..... | 193 | 8,573 | 1,655 | 200 | 8,979 | 1,796 | 203 | 9,270 | 1,882 | 203 | 9,543 | 1,937 |
| LIEUTENANT COLONEL..... | 827 | 8,256 | 6,828 | 805 | 8,648 | 6,962 | 812 | 8,927 | 7,249 | 821 | 9,191 | 7,546 |
| MAJOR..... | 2,070 | 7,652 | 15,840 | 2,051 | 8,014 | 16,437 | 2,041 | 8,274 | 16,887 | 2,101 | 8,518 | 17,896 |
| CAPTAIN..... | 6,135 | 6,162 | 37,804 | 5,630 | 6,455 | 36,342 | 5,781 | 6,664 | 38,525 | 5,820 | 6,861 | 39,931 |
| 1ST LIEUTENANT..... | 3,802 | 4,902 | 18,637 | 3,975 | 5,139 | 20,428 | 3,923 | 5,306 | 20,815 | 3,618 | 5,462 | 19,762 |
| 2ND LIEUTENANT..... | 3,877 | 4,125 | 15,993 | 3,653 | 4,320 | 15,781 | 3,515 | 4,460 | 15,677 | 3,631 | 4,591 | 16,670 |
| OFFICER SUBTOTAL..... | 16,907 | | \$ 96,785 | 16,317 | | \$ 97,776 | 16,278 | | \$ 101,065 | 16,197 | | \$ 103,773 |
| WARRANT OFFICER (5)..... | 23 | 7,772 | 179 | 23 | 8,141 | 187 | 23 | 8,404 | 193 | 23 | 8,652 | 199 |
| WARRANT OFFICER (4)..... | 81 | 6,905 | 559 | 92 | 7,232 | 665 | 92 | 7,466 | 687 | 92 | 7,687 | 707 |
| WARRANT OFFICER (3)..... | 229 | 5,802 | 1,329 | 223 | 6,078 | 1,355 | 219 | 6,275 | 1,374 | 220 | 6,460 | 1,421 |
| WARRANT OFFICER (2)..... | 736 | 5,152 | 3,792 | 637 | 5,396 | 3,437 | 623 | 5,571 | 3,471 | 625 | 5,735 | 3,584 |
| WARRANT OFFICER (1)..... | 309 | 4,313 | 1,333 | 348 | 4,517 | 1,572 | 343 | 4,664 | 1,600 | 344 | 4,801 | 1,652 |
| WARRANT OFFICER SUBTOTAL..... | 1,378 | | \$ 7,192 | 1,323 | | \$ 7,216 | 1,300 | | \$ 7,325 | 1,304 | | \$ 7,563 |
| TOTAL BAQ WITHOUT DEPENDENTS..... | 18,285 | | \$ 103,977 | 17,640 | | \$ 104,992 | 17,578 | | \$ 108,390 | 17,501 | | \$ 111,336 |

OFFICER BASIC ALLOWANCE FOR QUARTERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---|-------------------|-------|------------|-------------------|-------|------------|-------------------|-------|------------|-------------------|-------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| BAQ PARTIAL ALLOWANCE | | | | | | | | | | | | |
| BACHELOR | | | | | | | | | | | | |
| GENERAL..... | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| COLONEL..... | 8 | 475 | 4 | 8 | 475 | 4 | 8 | 475 | 4 | 8 | 475 | 4 |
| LIEUTENANT COLONEL..... | 29 | 396 | 11 | 28 | 396 | 11 | 28 | 396 | 11 | 28 | 396 | 11 |
| MAJOR..... | 92 | 320 | 29 | 92 | 320 | 29 | 92 | 320 | 29 | 94 | 320 | 30 |
| CAPTAIN..... | 521 | 266 | 139 | 481 | 266 | 128 | 494 | 266 | 131 | 497 | 266 | 132 |
| 1ST LIEUTENANT..... | 383 | 212 | 81 | 402 | 212 | 85 | 397 | 212 | 84 | 366 | 212 | 78 |
| 2ND LIEUTENANT..... | 1,437 | 158 | 227 | 1,360 | 158 | 215 | 1,309 | 158 | 207 | 1,352 | 158 | 214 |
| OFFICER SUBTOTAL..... | 2,470 | | \$ 491 | 2,371 | | \$ 472 | 2,328 | | \$ 466 | 2,345 | | \$ 469 |
| WARRANT OFFICER (5)..... | 1 | 302 | 0 | 1 | 302 | 0 | 1 | 302 | 0 | 1 | 302 | 0 |
| WARRANT OFFICER (4)..... | 5 | 302 | 2 | 6 | 302 | 2 | 5 | 302 | 2 | 5 | 302 | 2 |
| WARRANT OFFICER (3)..... | 14 | 248 | 3 | 14 | 248 | 3 | 14 | 248 | 3 | 14 | 248 | 3 |
| WARRANT OFFICER (2)..... | 73 | 191 | 14 | 63 | 191 | 12 | 62 | 191 | 12 | 62 | 191 | 12 |
| WARRANT OFFICER (1)..... | 34 | 166 | 6 | 38 | 166 | 6 | 37 | 166 | 6 | 38 | 166 | 6 |
| WARRANT OFFICER SUBTOTAL..... | 127 | | \$ 25 | 122 | | \$ 23 | 119 | | \$ 23 | 120 | | \$ 23 |
| TOTAL BAQ PARTIAL ALLOWANCE BACHELOR..... | 2,597 | | \$ 516 | 2,493 | | \$ 495 | 2,447 | | \$ 489 | 2,465 | | \$ 492 |
| BAQ INADEQUATE FAMILY HOUSING | | | | | | | | | | | | |
| GENERAL..... | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| COLONEL..... | 0 | 2,589 | 0 | 0 | 2,712 | 0 | 0 | 2,800 | 0 | 0 | 2,883 | 0 |
| LIEUTENANT COLONEL..... | 1 | 2,496 | 2 | 1 | 2,614 | 3 | 1 | 2,699 | 3 | 1 | 2,779 | 3 |
| MAJOR..... | 1 | 2,200 | 2 | 1 | 2,304 | 2 | 1 | 2,379 | 2 | 2 | 2,449 | 5 |
| CAPTAIN..... | 5 | 1,837 | 9 | 5 | 1,924 | 10 | 5 | 1,986 | 10 | 5 | 2,045 | 10 |
| 1ST LIEUTENANT..... | 0 | 1,596 | 0 | 0 | 1,673 | 0 | 0 | 1,727 | 0 | 0 | 1,778 | 0 |
| 2ND LIEUTENANT..... | 0 | 1,444 | 0 | 0 | 1,511 | 0 | 0 | 1,560 | 0 | 0 | 1,606 | 0 |
| OFFICER SUBTOTAL..... | 7 | | \$ 13 | 7 | | \$ 15 | 7 | | \$ 15 | 8 | | \$ 18 |
| WARRANT OFFICER (5)..... | 0 | 2,124 | 0 | 0 | 2,224 | 0 | 0 | 2,296 | 0 | 0 | 2,364 | 0 |
| WARRANT OFFICER (4)..... | 0 | 1,947 | 0 | 0 | 2,039 | 0 | 0 | 2,105 | 0 | 0 | 2,167 | 0 |
| WARRANT OFFICER (3)..... | 0 | 1,784 | 0 | 0 | 1,869 | 0 | 0 | 1,929 | 0 | 0 | 1,986 | 0 |
| WARRANT OFFICER (2)..... | 0 | 1,641 | 0 | 0 | 1,719 | 0 | 0 | 1,774 | 0 | 0 | 1,827 | 0 |
| WARRANT OFFICER (1)..... | 1 | 1,420 | 1 | 1 | 1,487 | 1 | 1 | 1,535 | 2 | 1 | 1,580 | 2 |
| WARRANT OFFICER SUBTOTAL..... | 1 | | \$ 1 | 1 | | \$ 1 | 1 | | \$ 2 | 1 | | \$ 2 |
| TOTAL BAQ INADEQUATE FAMILY HOUSING..... | 8 | | \$ 14 | 8 | | \$ 16 | 8 | | \$ 17 | 9 | | \$ 20 |
| TOTAL OFFICER BASIC ALLOWANCE FOR QUARTERS..... | 61,093 | | \$ 425,076 | 58,928 | | \$ 430,317 | 58,617 | | \$ 442,818 | 58,836 | | \$ 458,552 |

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 107,609 |
| ESTIMATE FY 1998 | \$ 104,629 |
| ESTIMATE FY 1997 | \$ 103,183 |
| ACTUAL FY 1996 | \$ 104,390 |

Project: Variable Housing Allowance - Officers

Part I - Purpose and Scope

The funds required are to provide for payment of a variable housing allowance (VHA) authorized under the provisions of Title 37, United States Code, Section 403a. Under this law a member entitled to a basic allowance for quarters is authorized a variable housing allowance whenever assigned to duty in an area of the United States, including Alaska and Hawaii if assigned to these two states on or after 9 Nov 85, which has been designated as a high cost area. This payment is also made to those members serving unaccompanied tours of duty outside the United States when the member's dependents reside in an area where this allowance is authorized.

Part II - Justification of Funds Requested

The VHA is developed by multiplying the projected average number of personnel eligible, by grade and the average applicable rate.

The VHA estimate increases by a net \$1.4 million from FY97 to FY98. This change is based on:

- (1) Cost growth of 2.1 percent, effective 1 Jan 97, and 2.1 percent, effective 1 Jan 98: +\$2.2 million.
- (2) Force manning changes: -\$1.0 million.
- (3) Implementation of housing Capital Venture Initiatives (CVI) at Fort Carson, CO, and Fort Bragg, NC: +\$0.2 million.

Between FY98 and FY99, the VHA requirement increases by \$2.9 million. This change is based on:

- (1) Cost growth of 2.1 percent, effective 1 Jan 98, and 2.1 percent, effective 1 Jan 99: +\$2.2 million.
- (2) Force manning changes: +\$0.7 million.

Detailed cost computations are provided by the following table:

OFFICER VARIABLE HOUSING ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| GENERAL..... | 58 | \$ 3,414 | \$ 198 | 57 | \$ 3,491 | \$ 199 | 57 | \$ 3,561 | \$ 203 | 57 | \$ 3,632 | \$ 207 |
| COLONEL..... | 2,162 | 3,425 | 7,405 | 2,232 | 3,497 | 7,804 | 2,236 | 3,571 | 7,984 | 2,245 | 3,646 | 8,186 |
| LIEUTENANT COLONEL..... | 6,049 | 3,132 | 18,945 | 5,870 | 3,197 | 18,769 | 5,864 | 3,265 | 19,147 | 5,926 | 3,334 | 19,759 |
| MAJOR..... | 9,246 | 2,473 | 22,865 | 9,138 | 2,525 | 23,070 | 9,003 | 2,578 | 23,211 | 9,269 | 2,633 | 24,403 |
| CAPTAIN..... | 14,736 | 1,875 | 27,630 | 13,519 | 1,914 | 25,877 | 13,742 | 1,955 | 26,861 | 13,835 | 1,996 | 27,616 |
| 1ST LIEUTENANT..... | 4,913 | 1,499 | 7,365 | 5,125 | 1,530 | 7,843 | 5,008 | 1,563 | 7,826 | 4,618 | 1,596 | 7,369 |
| 2ND LIEUTENANT..... | 4,736 | 1,548 | 7,331 | 4,452 | 1,580 | 7,036 | 4,242 | 1,614 | 6,846 | 4,381 | 1,648 | 7,220 |
| OFFICER SUBTOTAL..... | 41,900 | | \$ 91,739 | 40,393 | | \$ 90,598 | 40,152 | | \$ 92,078 | 40,331 | | \$ 94,760 |
| WARRANT OFFICER (5)..... | 262 | 2,411 | 632 | 257 | 2,461 | 633 | 264 | 2,513 | 664 | 262 | 2,567 | 672 |
| WARRANT OFFICER (4)..... | 922 | 2,192 | 2,021 | 1,049 | 2,238 | 2,347 | 1,030 | 2,285 | 2,354 | 1,033 | 2,334 | 2,411 |
| WARRANT OFFICER (3)..... | 1,780 | 1,816 | 3,232 | 1,719 | 1,854 | 3,187 | 1,672 | 1,893 | 3,165 | 1,677 | 1,933 | 3,242 |
| WARRANT OFFICER (2)..... | 2,909 | 1,723 | 5,012 | 2,509 | 1,759 | 4,413 | 2,430 | 1,796 | 4,365 | 2,438 | 1,834 | 4,472 |
| WARRANT OFFICER (1)..... | 961 | 1,825 | 1,754 | 1,076 | 1,863 | 2,005 | 1,053 | 1,903 | 2,003 | 1,056 | 1,943 | 2,052 |
| WARRANT OFFICER SUBTOTAL..... | 6,834 | | \$ 12,651 | 6,610 | | \$ 12,585 | 6,449 | | \$ 12,551 | 6,466 | | \$ 12,849 |
| TOTAL OFFICER VARIABLE HOUSING ALLOWANCE.. | 48,734 | | \$ 104,390 | 47,003 | | \$ 103,183 | 46,601 | | \$ 104,629 | 46,797 | | \$ 107,609 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 151,721
\$ 149,609
\$ 147,366
\$ 147,656

Project: Basic Allowance for Subsistence - Officers

Part I - Purpose and Scope

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343.

Part II - Justification of Funds Requested

Subsistence allowance costs are obtained by multiplying the projected average number eligible for the allowance by the annual statutory rate. The estimates for FY98 and FY99 reflect a pay raise of one percent to accommodate a Unified Legislation and Budgeting (ULB) initiative called Partial BAS resourced from the remainder of the pay raise. The Partial BAS proposal is a cost neutral effort to provide all eligible enlisted personnel with a BAS payment.

Estimated subsistence allowance costs increase by a net \$2.2 million from FY97 to FY98. This change is based on--

- (1) Annualization of the 3.0 percent, 1 Jan 97 pay raise: +\$1.1 million.
- (2) The 1.0 percent, 1 Jan 98 pay raise: +\$1.1 million.

Between FY98 and FY99, the BAS requirement increases by a net +\$2.1 million. This change is based on--

- (1) Annualization of the 1.0 percent, 1 Jan 98 pay raise: +\$0.4 million.
- (2) The 1.0 percent, 1 Jan 99 pay raise: +\$1.1 million.
- (3) Force manning changes: +0.6 million.

Detailed cost computations are provided by the following table:

OFFICER BASIC ALLOWANCE FOR SUBSISTENCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------------------|-------------------|-------------|------------|-------------------|-------------|------------|-------------------|-------------|------------|-------------------|-------------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| BASIC ALLOWANCE FOR SUBSISTENCE... | 82,697 | \$ 1,785.51 | \$ 147,656 | 80,245 | \$ 1,836.45 | \$ 147,366 | 80,272 | \$ 1,863.78 | \$ 149,609 | 80,598 | \$ 1,882.44 | \$ 151,721 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 111,139
\$ 109,380
\$ 139,042
\$ 138,495

Project: Station Allowance Overseas - Officers

Part I - Purpose and Scope

The funds requested will provide payment of a per diem allowance to officers on duty outside the United States considering all elements of the cost of living, including quarters, subsistence, and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

Part II - Justification of Funds Requested

Overseas station allowance payments are determined by multiplying the projected number of personnel eligible for each type of allowance by an estimated average rate.

Fluctuations in currency exchange rates have a direct impact on overseas station allowances. This is especially true in the case of Germany. The FY98/99 estimates for overseas station allowances are based on exchange rates of 1.564 DM/\$1 US. Beginning with FY97, MPA re-joins the Foreign Currency Fluctuations, Defense account.

Estimated costs decrease by a net \$29.7 million between FY97 and FY98. This change is based on--

- (1) Annualization of the 3.0 percent, 1 Jan 97 pay raise: +\$0.3 million.
- (2) The 2.8 percent, 1 Jan 98 pay raise: +\$1.0 million.
- (3) Rate changes due to foreign currency fluctuations: -\$30.5 million.
- (4) Cost growth for TLA inflation: +\$0.2 million.
- (5) Changes in members stationed overseas: -\$0.7 million.

From FY98 to FY99, the requirement for overseas station allowance increases by a net \$1.8 million. This change is based on--

- (1) Annualization of the 2.8 percent, 1 Jan 98 pay raise: +\$0.4 million.
- (2) The 3.0 percent, 1 Jan 99 pay raise: +\$1.1 million.
- (3) Cost growth for TLA inflation: +\$0.3 million.

Detailed cost computations are provided by the following table:

OFFICER OVERSEAS STATION ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-------------------------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| COST OF LIVING | | | | | | | | | | | | |
| GENERAL..... | 59 | \$ 8,288 | \$ 489 | 55 | \$ 9,000 | \$ 495 | 55 | \$ 6,800 | \$ 374 | 55 | \$ 7,055 | \$ 388 |
| COLONEL..... | 656 | 8,016 | 5,258 | 647 | 8,650 | 5,597 | 644 | 6,513 | 4,194 | 639 | 6,771 | 4,327 |
| LIEUTENANT COLONEL..... | 1,768 | 7,463 | 13,195 | 1,698 | 8,035 | 13,643 | 1,690 | 6,063 | 10,246 | 1,678 | 6,303 | 10,576 |
| MAJOR..... | 2,862 | 6,375 | 18,245 | 2,746 | 6,803 | 18,680 | 2,733 | 5,143 | 14,055 | 2,713 | 5,348 | 14,508 |
| CAPTAIN..... | 4,993 | 5,116 | 25,544 | 5,017 | 5,437 | 27,276 | 4,993 | 4,156 | 20,753 | 4,956 | 4,321 | 21,415 |
| 1ST LIEUTENANT..... | 2,182 | 4,437 | 9,682 | 2,205 | 4,870 | 10,739 | 2,194 | 3,638 | 7,981 | 2,178 | 3,782 | 8,238 |
| 2ND LIEUTENANT..... | 1,949 | 3,084 | 6,011 | 1,802 | 3,154 | 5,684 | 1,794 | 2,523 | 4,526 | 1,780 | 2,624 | 4,670 |
| WARRANT OFFICER (5)..... | 85 | 6,285 | 534 | 74 | 6,227 | 461 | 78 | 5,064 | 395 | 76 | 5,266 | 400 |
| WARRANT OFFICER (4)..... | 300 | 5,637 | 1,691 | 307 | 6,122 | 1,879 | 301 | 4,547 | 1,369 | 300 | 4,728 | 1,418 |
| WARRANT OFFICER (3)..... | 839 | 4,899 | 4,110 | 854 | 5,195 | 4,437 | 850 | 3,932 | 3,342 | 843 | 4,086 | 3,444 |
| WARRANT OFFICER (2)..... | 1,656 | 4,515 | 7,477 | 1,630 | 4,785 | 7,800 | 1,622 | 3,686 | 5,978 | 1,611 | 3,833 | 6,176 |
| WARRANT OFFICER (1)..... | 365 | 3,685 | 1,345 | 373 | 3,892 | 1,452 | 371 | 2,945 | 1,092 | 368 | 3,059 | 1,126 |
| SUBTOTAL..... | 17,714 | | \$ 93,581 | 17,408 | | \$ 98,143 | 17,325 | | \$ 74,305 | 17,197 | | \$ 76,686 |
| HOUSING ALLOWANCE | | | | | | | | | | | | |
| GENERAL..... | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| COLONEL..... | 123 | 13,906 | 1,710 | 112 | 14,243 | 1,595 | 112 | 12,442 | 1,394 | 112 | 12,030 | 1,347 |
| LIEUTENANT COLONEL..... | 452 | 9,570 | 4,326 | 345 | 10,453 | 3,606 | 345 | 8,502 | 2,933 | 345 | 8,217 | 2,835 |
| MAJOR..... | 682 | 8,351 | 5,695 | 534 | 9,343 | 4,989 | 534 | 7,241 | 3,867 | 534 | 6,999 | 3,737 |
| CAPTAIN..... | 1,233 | 7,807 | 9,626 | 1,072 | 8,221 | 8,813 | 1,072 | 6,506 | 6,975 | 1,072 | 6,289 | 6,742 |
| 1ST LIEUTENANT..... | 806 | 6,845 | 5,517 | 735 | 7,110 | 5,226 | 735 | 6,145 | 4,517 | 735 | 5,940 | 4,366 |
| 2ND LIEUTENANT..... | 516 | 7,901 | 4,077 | 396 | 8,369 | 3,314 | 396 | 6,682 | 2,646 | 396 | 6,459 | 2,558 |
| WARRANT OFFICER (5)..... | 17 | 7,411 | 126 | 11 | 8,599 | 95 | 12 | 6,978 | 84 | 12 | 6,724 | 81 |
| WARRANT OFFICER (4)..... | 61 | 6,646 | 405 | 47 | 7,878 | 370 | 46 | 6,382 | 294 | 46 | 6,181 | 284 |
| WARRANT OFFICER (3)..... | 152 | 7,268 | 1,105 | 127 | 7,912 | 1,005 | 127 | 6,298 | 800 | 127 | 6,088 | 773 |
| WARRANT OFFICER (2)..... | 229 | 7,130 | 1,633 | 199 | 7,156 | 1,424 | 199 | 5,915 | 1,177 | 199 | 5,719 | 1,138 |
| WARRANT OFFICER (1)..... | 51 | 8,572 | 437 | 47 | 8,599 | 404 | 47 | 7,528 | 354 | 47 | 7,287 | 343 |
| SUBTOTAL..... | 4,322 | | \$ 34,657 | 3,625 | | \$ 30,841 | 3,625 | | \$ 25,041 | 3,625 | | \$ 24,204 |
| TEMPORARY LODGING ALLOWANCE.. | 7,374 | \$ 1,391 | \$ 10,257 | 7,083 | \$ 1,420 | \$ 10,058 | 6,920 | \$ 1,450 | \$ 10,034 | 6,925 | \$ 1,480 | \$ 10,249 |
| TOTAL OFFICER | | | | | | | | | | | | |
| STATION ALLOWANCE OVERSEAS... | 29,410 | | \$ 138,495 | 28,116 | | \$ 139,042 | 27,870 | | \$ 109,380 | 27,747 | | \$ 111,139 |

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 845
\$ 845
\$ 845
\$ 432

Project: CONUS Cost of Living Allowance - Officers

Part I - Purpose and Scope

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 109 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) times the difference between the COLA index for the individual's high cost area and the threshold percentage. This allowance was authorized by the FY95 DOD Authorization Act.

Part II - Justification of Funds Requested

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated average rate.

Detailed cost computations are provided by the following table:

OFFICER CONUS COST OF LIVING ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-----------------|----------------|--------|------------------|--------|------------------|--------|------------------|--------|
| | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE |
| CONUS COLA..... | 474 | 912.00 | 917 | 921.00 | 917 | 921.00 | 917 | 921.00 |
| | | \$ 432 | | \$ 845 | | \$ 845 | | \$ 845 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 2,570
\$ 2,543
\$ 2,569
\$ 2,381

Project: Clothing Allowances - Officers

Part I - Purpose and Scope

The requested funds will provide for the initial payment and supplemental allowance for purchases of required uniforms under provisions of 37 U.S.C. 415 and 416. Also included are funds for civilian clothing allowance for officers assigned to a permanent duty station outside the United States who are required to wear civilian clothing in the performance of official duty in accordance with 37 U.S.C. 419. The entitlement to a civilian clothing allowance for officers was effective 4 December 1987.

Part II - Justification of Funds Requested

The estimated number of payments is based on the projected gains into the Army and the anticipated overseas requirements where individuals are required to wear civilian clothing in the performance of official duty. Allowances for uniform and clothing purchases are developed by multiplying the projected number eligible for each type of allowance by the applicable rate.

Detailed cost computations are provided by the following table:

OFFICER CLOTHING ALLOWANCES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|----------------|----------|----------|------------------|----------|----------|------------------|----------|----------|------------------|----------|----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| UNIFORM ALLOWANCES | | | | | | | | | | | | |
| INITIAL..... | 6,081 | \$ 200 | \$ 1,216 | 6,352 | \$ 200 | \$ 1,270 | 6,196 | \$ 200 | \$ 1,239 | 6,220 | \$ 200 | \$ 1,244 |
| ADDITIONAL..... | 5,202 | 100 | 520 | 6,352 | 100 | 635 | 6,196 | 100 | 620 | 6,220 | 100 | 622 |
| SUBTOTAL..... | 11,283 | | \$ 1,736 | 12,704 | | \$ 1,905 | 12,392 | | \$ 1,859 | 12,440 | | \$ 1,866 |
| CIVILIAN CLOTHING | | | | | | | | | | | | |
| WINTER AND SUMMER..... | 530 | \$ 1,216 | \$ 645 | 530 | \$ 1,253 | \$ 664 | 530 | \$ 1,290 | \$ 684 | 530 | \$ 1,329 | \$ 704 |
| TOTAL OFFICER | | | | | | | | | | | | |
| CLOTHING ALLOWANCES..... | 11,813 | | \$ 2,381 | 13,234 | | \$ 2,569 | 12,922 | | \$ 2,543 | 12,970 | | \$ 2,570 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 3,868
\$ 3,833
\$ 4,230
\$ 5,564

Project: Family Separation Allowances - Officers

Part I - Purpose and Scope

The funds are to provide family separation payments to officers with dependents on duty outside the U.S. or in Alaska for added separation expenses under two circumstances:

- (1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas for himself. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.
- (2) When a member with dependents makes a permanent change of station, is on temporary duty travel, or on board ship for thirty days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station. The payment authorized is \$75 per month (37 U.S.C. 427).

Part II - Justification of Funds Requested

The estimated number of payments is based on execution data projected into the future and modified to reflect anticipated overseas stationing requirements. Allowances for family separation are determined by multiplying the estimated number of personnel eligible for each type of family separation allowance by the statutory rate applicable.

Detailed cost computations are provided by the following table:

OFFICER FAMILY SEPARATION ALLOWANCES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---|-------------------|-------------|----------|-------------------|-------------|----------|-------------------|-------------|----------|-------------------|-------------|----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES | | | | | | | | | | | | |
| COLONEL..... | 9 | \$ 8,573.00 | \$ 77 | 9 | \$ 8,979.00 | \$ 81 | 9 | \$ 9,269.00 | \$ 83 | 9 | \$ 9,543.00 | \$ 86 |
| LIEUTENANT COLONEL..... | 36 | 8,256.00 | 297 | 36 | 8,648.00 | 311 | 35 | 8,927.00 | 312 | 35 | 9,191.00 | 322 |
| MAJOR..... | 31 | 7,652.00 | 237 | 31 | 8,015.00 | 248 | 30 | 8,274.00 | 248 | 30 | 8,518.00 | 256 |
| CAPTAIN..... | 22 | 6,162.00 | 136 | 22 | 6,455.00 | 142 | 21 | 6,664.00 | 140 | 21 | 6,861.00 | 144 |
| 1ST LIEUTENANT..... | 4 | 4,902.00 | 20 | 4 | 5,139.00 | 21 | 4 | 5,306.00 | 21 | 4 | 5,462.00 | 22 |
| 2ND LIEUTENANT..... | 8 | 4,125.00 | 33 | 8 | 4,320.00 | 35 | 8 | 4,460.00 | 36 | 8 | 4,591.00 | 37 |
| WARRANT OFFICER (5)..... | 1 | 7,772.00 | 8 | 1 | 8,141.00 | 8 | 1 | 8,405.00 | 8 | 1 | 8,653.00 | 9 |
| WARRANT OFFICER (4)..... | 5 | 6,905.00 | 35 | 4 | 7,232.00 | 29 | 4 | 7,466.00 | 30 | 4 | 7,687.00 | 31 |
| WARRANT OFFICER (3)..... | 11 | 5,802.00 | 64 | 11 | 6,078.00 | 67 | 11 | 6,275.00 | 69 | 11 | 6,460.00 | 71 |
| WARRANT OFFICER (2)..... | 21 | 5,152.00 | 108 | 21 | 5,396.00 | 113 | 20 | 5,571.00 | 111 | 20 | 5,735.00 | 115 |
| WARRANT OFFICER (1)..... | 4 | 4,313.00 | 17 | 4 | 4,517.00 | 18 | 3 | 4,664.00 | 14 | 3 | 4,801.00 | 14 |
| SUBTOTAL..... | 152 | | \$ 1,032 | 151 | | \$ 1,073 | 146 | | \$ 1,072 | 146 | | \$ 1,107 |
| PCS CONUS OR OVERSEAS WITH DEPENDENT NOT AUTHORIZED..... | 1,848 | 900.00 | 1,663 | 1,837 | 900.00 | 1,653 | 1,802 | 900.00 | 1,622 | 1,802 | 900.00 | 1,622 |
| TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS WITH DEPENDENTS NOT RESIDING NEAR TDY STATION..... | 3,188 | 900.00 | 2,869 | 1,671 | 900.00 | 1,504 | 1,265 | 900.00 | 1,139 | 1,265 | 900.00 | 1,139 |
| TOTAL OFFICER FAMILY SEPARATION ALLOWANCES..... | 5,188 | | \$ 5,564 | 3,659 | | \$ 4,230 | 3,213 | | \$ 3,833 | 3,213 | | \$ 3,868 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 99,960 |
| ESTIMATE FY 1998 | \$ 62,775 |
| ESTIMATE FY 1997 | \$ 183,049 |
| ACTUAL FY 1996 | \$ 180,318 |

Project: Separation Payments - Officers

Part I - Purpose and Scope

Severance pay - payment of non-disability separation pay is authorized to retirement ineligible regular commissioned officers, warrant officers, and members of the reserve component who are involuntarily released from active duty after having completed at least 5 years of active duty. Payment of disability severance pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years service and less than 30 percent disability.

The FY92 National Defense Authorization Act approved two voluntary separation pay programs to employ during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, voluntary separation incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefit (SSB), provides a lump sum of one and a half times involuntary separation pay (50% more) for soldiers who voluntarily leave active duty. VSI and SSB will be used to reduce involuntary separations. They will not be offered to all soldiers. The programs will be offered through a differential policy targeting groups facing involuntary separations and soldiers serving in overage specialties to aid in reducing involuntary separations and facilitate force shaping requirements during the drawdown. Soldiers will be given their choice between the two incentives. The authority to use VSI/SSB expires on 30 Sep 99.

The FY93 National Defense Authorization Act approved an active duty early retirement program for use during the drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the Army in achieving its drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Soldiers approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times years of service times basic pay times

reduction factor. For the officers who leave under the early retirement program, the Army is required to establish a subaccount within the Military Personnel Appropriation to fund all early retirement payments up front in the Military Personnel Appropriation to cover the entire initial period, which is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use the early retirement program expires on 1 Oct 99.

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may have accumulated a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 Feb 76, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

Part II - Justification of Funds Requested

Separation payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 Sep 76. For leave accumulated prior to 1 Sep 76 and retained throughout the career, payments include basic pay, basic allowance for subsistence, and basic allowance for quarters. For leave accumulated after 1 Sep 76, to include the lowering of leave balances prior to 1 Sep 76, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days. Severance pay for promotion passover, for separation for cause, and for disability severance pay is 10 percent of the product of (a) years of active service and (b) 12 times the monthly basic pay to which he was entitled at the time of discharge or release from active duty. The SSB amount is based on annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. The National Defense Authorization Act for FY92 and FY93 required the establishment of a VSI fund effective 1 Jan 93 from which VSI payments will be made. The Act further required the DOD Board of Actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 Jan 93 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 Jan 93.

From FY97 to FY98, the estimate for separation pays decreases by a net \$120.3 million. This change is based on--

- (1) Annualization of the 3.0 percent, 1 Jan 97 pay raise: +\$0.2 million.
- (2) The 2.8 percent, 1 Jan 98 pay raise: +\$0.7 million.
- (3) Discontinued use of SSB, VSI (new takers), and 15-year early retirement, plus reduced need for lump terminal leave as officer drawdown was completed at end FY97: -\$121.2 million.

The requirement for separation pays increases by a net \$37.2 million between FY98 and FY99. This change is based on--

- (1) Annualization of the 2.8 percent, 1 Jan 98 pay raise: +\$0.5 million.
- (2) The 3.0 percent, 1 Jan 99 pay raise: +\$1.6 million.
- (3) Increased need for lump sum leave, plus additional requirement for severance pay (non-promotion) to coincide with the discontinued use of SSB, VSI, and 15-year early retirement: +\$35.9 million.
- (4) Reduced need for transfers into the VSI Trust Fund: -\$0.8 million.

Detailed cost computations are provided by the following table:

OFFICER SEPARATION PAYMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | | ESTIMATE FY 1997 | | | | ESTIMATE FY 1998 | | | | ESTIMATE FY 1999 | | | |
|---|----------------|-------------|--------|------------|------------------|-------------|--------|------------|------------------|-------------|--------|-----------|------------------|-------------|--------|-----------|
| | NUMBER | AVG DAYS | RATE | AMOUNT | NUMBER | AVG DAYS | RATE | AMOUNT | NUMBER | AVG DAYS | RATE | AMOUNT | NUMBER | AVG DAYS | RATE | AMOUNT |
| SEVERANCE PAY (DISABILITY)..... | 77 | | 39,203 | \$ 3,019 | 66 | | 36,778 | \$ 2,427 | 66 | | 37,832 | \$ 2,497 | 66 | | 38,954 | \$ 2,571 |
| SEVERANCE PAY (NON-PROMOTIONAL) | 201 | | 42,903 | 8,624 | 201 | | 44,132 | 8,871 | 201 | | 45,396 | 9,125 | 950 | | 46,743 | 44,406 |
| INVOLUNTARY HALF-PAY (5%)..... | 4 | | 24,739 | 99 | 4 | | 25,447 | 102 | 4 | | 26,177 | 105 | 4 | | 26,953 | 108 |
| INVOLUNTARY FULL-PAY (10%).... | 39 | | 42,903 | 1,673 | 38 | | 44,132 | 1,677 | 38 | | 45,396 | 1,725 | 37 | | 46,743 | 1,729 |
| VOLUNTARY SPECIAL SEPARATION | | | | | | | | | | | | | | | | |
| BENEFIT (15%)..... | 339 | | 57,988 | 19,658 | 326 | | 59,648 | 19,445 | 0 | | 0 | 0 | 0 | | 0 | 0 |
| 15 YEAR RETIREMENT | 1,016 | | 60,199 | 61,162 | 933 | | 61,923 | 57,774 | 0 | | 0 | 0 | 0 | | 0 | 0 |
| SEPARATION PAY (NON-DISABILITY). 1,398 | | | | \$ 82,592 | 1,301 | | | \$ 78,998 | 42 | | | \$ 1,830 | 41 | | | \$ 1,837 |
| VOLUNTARY SEPARATION | | | | | | | | | | | | | | | | |
| INCENTIVE (DIRECT MILPERS PAY) 1)... | 328 | | | 59,449 | 353 | | | 67,725 | 0 | | | 28,915 | 0 | | | 28,125 |
| THRU DEC 31, 1992 | 0 | | | 28,125 | 0 | | | 28,125 | 0 | | | 28,125 | 0 | | | 28,125 |
| JAN 1, 1993 AND AFTER..... | 328 | | | 31,324 | 353 | | | 39,600 | 0 | | | 790 | 0 | | | 0 |
| LUMP SUM TERMINAL LEAVE PAYMENTS | | | | | | | | | | | | | | | | |
| GENERAL..... | 43 | 56.1 | 15,837 | \$ 681 | 37 | 56.1 | 16,297 | \$ 603 | 32 | 56.1 | 16,813 | \$ 538 | 34 | 56.1 | 17,206 | \$ 585 |
| COLONEL..... | 498 | 42.4 | 8,916 | 4,440 | 471 | 42.4 | 9,171 | 4,320 | 485 | 42.4 | 9,433 | 4,575 | 532 | 42.4 | 9,711 | 5,166 |
| LT. COLONEL..... | 847 | 32.1 | 5,235 | 4,434 | 950 | 32.1 | 5,385 | 5,116 | 842 | 32.1 | 5,538 | 4,663 | 923 | 32.1 | 5,702 | 5,263 |
| MAJOR..... | 1,670 | 33.6 | 4,286 | 7,158 | 1,330 | 33.6 | 4,409 | 5,864 | 704 | 33.6 | 4,534 | 3,192 | 772 | 33.6 | 4,668 | 3,604 |
| CAPTAIN..... | 2,207 | 23.7 | 2,491 | 5,498 | 1,973 | 23.7 | 2,562 | 5,055 | 1,508 | 23.7 | 2,635 | 3,974 | 1,654 | 23.7 | 2,713 | 4,487 |
| 1ST LIEUT..... | 764 | 17.3 | 1,429 | 1,092 | 721 | 17.3 | 1,470 | 1,060 | 651 | 17.3 | 1,512 | 984 | 713 | 17.3 | 1,556 | 1,110 |
| 2ND LIEUT..... | 217 | 16.6 | 1,016 | 220 | 163 | 16.6 | 1,045 | 170 | 143 | 16.6 | 1,075 | 154 | 157 | 16.6 | 1,107 | 174 |
| WARR OFF (5).... | 54 | 35.2 | 5,062 | 273 | 48 | 35.2 | 5,207 | 250 | 51 | 35.2 | 5,355 | 273 | 56 | 35.2 | 5,513 | 309 |
| WARR OFF (4).... | 278 | 35.2 | 4,540 | 1,262 | 242 | 35.2 | 4,670 | 1,130 | 135 | 35.2 | 4,803 | 648 | 148 | 35.2 | 4,945 | 732 |
| WARR OFF (3).... | 309 | 26.2 | 2,557 | 790 | 283 | 26.2 | 2,630 | 744 | 257 | 26.2 | 2,705 | 695 | 282 | 26.2 | 2,785 | 785 |
| WARR OFF (2).... | 404 | 23.6 | 1,876 | 758 | 349 | 23.6 | 1,930 | 673 | 322 | 23.6 | 1,985 | 639 | 354 | 23.6 | 2,043 | 723 |
| WARR OFF (1).... | 12 | 33.5 | 2,302 | 28 | 18 | 33.5 | 2,368 | 43 | 30 | 33.5 | 2,435 | 73 | 33 | 33.5 | 2,507 | 83 |
| SUBTOTAL..... | 7,303 | | | \$ 26,634 | 6,585 | | | \$ 25,028 | 5,160 | | | \$ 20,408 | 5,658 | | | \$ 23,021 |
| TOTAL OFFICER SEPARATION PAY.... | 9,307 | | | \$ 180,318 | 8,506 | | | \$ 183,049 | 5,469 | | | \$ 62,775 | 6,715 | | | \$ 99,960 |

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 303,466 |
| ESTIMATE FY 1998 | \$ 294,523 |
| ESTIMATE FY 1997 | \$ 288,693 |
| ACTUAL FY 1996 | \$ 289,876 |

Project: Social Security Tax - Employer's Obligation - Officers

Part I - Purpose and Scope

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The old age, survivor, and disability insurance (OASDI) rate is 6.2% and the hospital insurance (HI) is 1.45%. The maximum amount of earnings per individual on which tax is payable for the old-age, survivors, and disability (OASDI), medicare programs are:

| Calendar Year | OASDI Base | Medicare Base |
|---------------|------------|----------------|
| 1995 | \$61,200 | No upper limit |
| 1996 | \$62,700 | No upper limit |
| 1997 | \$65,400 | No upper limit |
| 1998 | \$68,700 | No upper limit |
| 1999 | \$71,400 | No upper limit |

From FY97 to FY98, the social security tax estimate increases by a net \$5.8 million. This change is based on--

- (1) Annualization of the 3.0 percent, 1 Jan 97 pay raise: +\$2.3 million.
- (2) The 2.8 percent, 1 Jan 98 pay raise: +\$4.9 million.
- (3) Decrease in wage credit payments: -\$1.4 million.

The social security tax requirement increases by a net \$8.9 million between FY98 and FY99.
This change is based on--

- (1) Annualization of the 2.8 percent, 1 Jan 98 pay raise: +2.2 million.
- (2) The 3.0 percent, 1 Jan 99 pay raise: +\$5.5 million.
- (3) Force manning changes: +\$1.2 million.

Detailed cost computations are provided by the following table:

OFFICER SOCIAL SECURITY TAX
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SOCIAL SECURITY TAX - | | | | | | | | | | | | |
| EMPLOYER'S CONTRIBUTION | | | | | | | | | | | | |
| OF TAX ON BASIC PAY..... | 82,697 | \$ 3,031 | \$ 250,635 | 80,245 | \$ 3,103 | \$ 248,986 | 80,272 | \$ 3,192 | \$ 256,216 | 80,598 | \$ 3,292 | \$ 265,359 |
| WAGE CREDITS..... | | | \$ 39,241 | | | \$ 39,707 | | | \$ 38,307 | | | \$ 38,107 |
| TOTAL OFFICER | | | | | | | | | | | | |
| SOCIAL SECURITY TAX..... | 82,697 | | \$ 289,876 | 80,245 | | \$288,693 | 80,272 | | \$294,523 | 80,598 | | \$303,466 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| Pay and Allowances of Enlisted Personnel | | Amount |
|--|--|---------------|
| FY 1997 Direct Program | | \$ 12,476,363 |
| Increases | | |
| a. Pay Raise | | 334,600 |
| Reflects annualized costs of the 3.0 percent pay raise 1 Jan 97 and the 2.8 percent 1 Jan 98 pay raises. | | |
| b. Inflation | | 4,783 |
| Reflects inflation for Variable Housing Allowance, and Temporary Housing Allowance. | | |
| c. Basic Allowance for Quarters and Variable Housing Allowance | | 38,363 |
| Reflects changes in the family housing inventory, enlisted housing policy changes, and the Capital Venture Initiative (CVI) at Ft. Carson and Ft. Bragg. | | |
| d. Reimbursable Program | | 4,819 |
| Total Increase: | | \$ 382,565 |
| Decreases: | | |
| a. Force Manning Costs | | -42,341 |
| b. Retired Pay Accrual | | -152,326 |
| Decrease in NCP from 32.6 percent in FY97 to 30.5 percent in FY98. | | |
| c. Enlisted Bonus and Selective Reenlistment Bonus | | -14,081 |
| Reflects changes in numbers receiving bonus payments. | | |
| d. FICA | | -5,755 |
| Decrease reflects changes in Wage Credit payments and the G.I. Bill Offset. | | |
| e. Incentive Pay and Special Pay | | -12,378 |
| Reflects reduced numbers receiving parachute pay and FY97 contingency costs for Bosnia. | | |
| f. Family Separation Allowance | | -3,093 |
| Reflects decreased number of members receiving payments. | | |
| g. Overseas Station Allowances (OSA) | | -109,954 |
| Reflects rate changes associated with foreign currency fluctuation. Also includes strength decreases in regions where OSA is authorized. | | |
| h. Separation Pay | | -42,428 |

| | | |
|--|----------|--------------|
| Reflects decreased number of members receiving separation payments. | | |
| i. Clothing | -6,065 | |
| Reflects decreased strength offset by changes in clothing bag rates. | | |
| j. Miscellaneous | -819 | |
| Total Decreases | | \$-389,240 |
| FY 1998 Direct Program | | \$12,469,688 |
| Increases | | |
| a. Pay Raise | 345,312 | |
| Reflects annualized costs of the 2.8 percent pay raise 1 Jan 98 and the 3.0 percent 1 Jan 99 pay raises. | | |
| b. Inflation | 4,893 | |
| Reflects inflation for Variable Housing Allowance, and Temporary Housing Allowance. | | |
| c. Selective Reenlistment Bonus | 1,330 | |
| Reflects changes in numbers receiving new payments. | | |
| d. Basic Allowance for Quarters and Variable Housing Allowance | 2,167 | |
| Reflects changes in the family housing inventory. | | |
| e. Overseas Station Allowance (OSA) | 6,976 | |
| Reflects rate changes associated with foreign currency fluctuation. Also includes strength decreases in regions where OSA is authorized. | | |
| f. Clothing | 957 | |
| Reflects decreased strength offset by changes in clothing bag rates. | | |
| g. Miscellaneous | 397 | |
| Total increase: | | \$ 362,032 |
| Decreases: | | |
| a. Force Manning Costs | -150,904 | |
| b. Retired pay accrual | -22,298 | |
| Decrease in NCP from 30.5 percent in FY98 to 30.1 percent in FY99. | | |
| c. Special Duty Assignment Pay | -1,026 | |
| Reflects decreased authorizations for production recruiters. | | |

d. Separation Pay
Reflects decreased number of members receiving payments.

-30,050

e. Reimbursable Program

-2,135

Total Decreases

\$ -206,413

FY 1999 Direct

\$12,625,307

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------------|
| ESTIMATE FY 1999 | \$ 7,542,367 |
| ESTIMATE FY 1998 | \$ 7,432,671 |
| ESTIMATE FY 1997 | \$ 7,253,654 |
| ACTUAL FY 1996 | \$ 7,221,465 |

Project: Basic Pay - Enlisted

Part I - Purpose and Scope

The funds requested provide for the basic compensation and length of service pay increments of enlisted personnel on active duty under provisions of 37 U.S.C. 201, 203, 205, and 1009. Also included is the compensation of enlisted personnel of the reserve components, who have entered active duty as members of the active component of the army.

Part II - Justification of Funds Requested

The basic compensation is determined by multiplying the projected average number of personnel by grade by the estimated average annual compensation. The rates reflect actual execution which is adjusted in subsequent years by pay raise and estimated average years of service. In addition to rate changes, many year program changes contribute to the full cost of the basic pay.

The estimated net change is \$179.1 million from FY97 to FY98. Force manning costs decreases by \$28.1 million. The annualization of the FY97 pay raise requires an increase of \$54.2 million, and the FY98, 2.8 percent pay raise requires an additional \$153 million. The estimated net change is \$109.7 million from FY98 to FY99. Force manning costs decreases by \$107.5 million. The annualization of the FY98 pay raise requires an increase of \$51.3 million and the FY99, 3.0 percent pay raise requires an additional \$165.9 million.

Detailed cost computations are provided by the following table:

ENLISTED BASIC PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|-------------------|-----------|--------------|-------------------|-----------|--------------|-------------------|-----------|--------------|-------------------|-----------|--------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SERGEANT MAJOR..... | 3,122 | \$ 38,425 | \$ 119,963 | 3,162 | \$ 39,341 | \$ 124,396 | 3,145 | \$ 40,219 | \$ 126,489 | 3,053 | \$ 40,973 | \$ 125,091 |
| 1ST SGT/MASTER SGT..... | 10,931 | 30,971 | 338,544 | 10,939 | 31,691 | 346,668 | 10,971 | 32,388 | 355,329 | 11,065 | 32,995 | 365,090 |
| PLATOON SGT/SGT 1ST CLASS. | 40,082 | 26,054 | 1,044,296 | 40,142 | 26,669 | 1,070,547 | 38,997 | 27,256 | 1,062,902 | 37,832 | 27,767 | 1,050,481 |
| STAFF SERGEANT..... | 60,580 | 21,830 | 1,322,461 | 58,393 | 22,335 | 1,304,208 | 57,455 | 22,827 | 1,311,525 | 56,097 | 23,256 | 1,304,592 |
| SERGEANT..... | 77,448 | 18,126 | 1,403,822 | 78,621 | 18,537 | 1,457,397 | 77,723 | 18,945 | 1,472,462 | 77,719 | 19,300 | 1,499,977 |
| CORPORAL/SPECIALIST 4..... | 121,704 | 14,884 | 1,811,442 | 113,479 | 15,253 | 1,730,895 | 115,027 | 15,589 | 1,793,156 | 117,246 | 15,881 | 1,861,984 |
| PRIVATE, FIRST CLASS..... | 49,570 | 12,357 | 612,536 | 49,974 | 12,654 | 632,371 | 50,856 | 12,933 | 657,721 | 53,173 | 13,175 | 700,554 |
| PRIVATE (E2)..... | 29,396 | 11,795 | 346,726 | 29,602 | 12,026 | 355,994 | 30,899 | 12,290 | 379,749 | 29,323 | 12,521 | 367,153 |
| PRIVATE (E1)..... | 21,883 | 10,130 | 221,675 | 22,388 | 10,326 | 231,178 | 25,899 | 10,554 | 273,338 | 24,874 | 10,752 | 267,445 |
| TOTAL ENLISTED BASIC PAY.. | 414,716 | | \$ 7,221,465 | 406,700 | | \$ 7,253,654 | 410,972 | | \$ 7,432,671 | 410,382 | | \$ 7,542,367 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------------|
| ESTIMATE FY 1999 | \$ 2,277,795 |
| ESTIMATE FY 1998 | \$ 2,266,965 |
| ESTIMATE FY 1997 | \$ 2,364,691 |
| ACTUAL FY 1996 | \$ 2,375,862 |

Project: Retired Pay Accrual - Enlisted

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C. 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of:

- (a) The DOD Actuary approved full-time normal cost percentage (NCP) of basic pay, i.e., 32.9% for FY96, 32.6 percent for FY97, 30.5 percent for FY98, and 30.2 percent for FY99.
- (b) The total amount of the basic pay expected to be paid during the fiscal year to members of the Active Army.

The estimate decreases by \$97.7 million from FY97 to FY98. Force manning costs decrease by \$8.5 million; the annualization of the FY97 pay raise accounts for an increase of \$16.5 million; and the FY98, 2.8 percent pay raise is \$46.6 million. The Normal Cost Percentage (NCP) decreases from 32.6 percent in FY97 to 30.5 percent in FY98, accounting for a decrease of \$152.3 million. The estimate increases by \$10.8 million from FY98 to FY99. Force manning costs decrease by \$32.5 million; the annualization of the FY98 pay raise accounts for an increase of \$15.5 million; and the FY99, 3.0 percent pay raise is \$50.1 million. The Normal Cost Percentage decreases from 30.5 percent in FY98 to 30.2 percent in FY99, accounting for a decrease of \$22.3 million.

Detailed cost computations are provided by the following table:

ENLISTED RETIRED PAY ACCRUAL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------------|-------------|--------------|---------------------------------|-------------|--------------|---------------------------------|-------------|--------------|---------------------------------|-------------|--------------|
| ENLISTED AVERAGE STRENGTH | RATE | AMOUNT | ENLISTED AVERAGE STRENGTH | RATE | AMOUNT | ENLISTED AVERAGE STRENGTH | RATE | AMOUNT | ENLISTED AVERAGE STRENGTH | RATE | AMOUNT |
| 414,716 | \$ 5,728.89 | \$ 2,375,862 | 406,700 | \$ 5,814.34 | \$ 2,364,691 | 410,972 | \$ 5,516.10 | \$ 2,266,965 | 410,382 | \$ 5,550.43 | \$ 2,277,795 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 51,280
\$ 51,292
\$ 53,874
\$ 54,279

Project: Incentive Pay for Hazardous Duty - Enlisted

Part I - Purpose and Scope

The funds requested will provide for pay to Enlisted Personnel under provisions of 37 U.S.C. 301 for these types of duty:

Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are essential to the operation of aircraft in-flight, or the duties are required to complete specific missions of the aircraft. The members perform duties as crew chiefs, medical airmen, firefighter crash rescue specialists, airborne electronic system operators, and air observers.

Non-Crew Member - assigned to a position which requires at least four hours of aerial flight each month. The duties are directly related to in-flight missions of the aircraft and the duties cannot be performed by crew members. The members perform duties as aircraft maintenance personnel, aerial photographers, helicopter weapons systems repairmen, and medical personnel.

Parachute - assigned to a permanent parachute position or airborne unit which requires parachute jumping as an essential part of military duty, or while undergoing airborne type training, or performing short-term parachute duty. Continuous payment of hazardous duty pay for parachute duty requires at least one parachute jump every three months. Pay for periods of short-term parachute duty is prorated based on the duration of the period such duty is required.

High Altitude Low Opening Jump Pay (HALO) - assigned to a permanent military position which requires parachute jumping from at least 2,500 feet with a planned delay between exit and opening as an essential part of military duties, or while undergoing military free-fall type training at the US Army John F. Kennedy Special Warfare School. Soldiers must be a graduate of the US Army military free-fall course under the proponentcy of the commander, US Army JFK Special Warfare School or undergoing training for such designation and be required by competent orders to engage in military free-fall parachute jumping from an aircraft in aerial flight and who perform the specified minimum number of jumps are entitled to pay. Proficiency requirements will remain the same as static line requirements.

Demolition of Explosives - assigned to a position which requires the member as his primary duty to demolish, by use of objects, obstacles, or explosives; or recover and render harmless, by disarming or demolition, explosives which failed to function as intended or which have become a potential hazard. Demolition pay is limited to those serving in specialty 55D (EOD Specialists).

Experimental Stress - serving as a human test subject in thermal stress experiments at Natick Laboratories; Natick, MA. The tests conducted include development of equipment (mostly clothing) and physiological testing. Also, low pressure, high altitude chamber training is conducted at the US Army Aeromedical Center; Fort Rucker, Alabama.

Toxic Fuel - assigned to a position on a Propellant Draining Kit (PDK) Team which requires handling and maintaining the propellants unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid used in the lance missile system.

Toxic Pesticides Exposure - for duty performed while assigned to entomology, pest control, pest management, or preventive medicine functions for a period of 30 consecutive days or more; that requires a member to perform any calendar month a fumigation task utilizing phosphine, sulfuryl fluoride, hydrogen cyanide, methyl bromide, or a fumigant of comparable high acute toxicity and hazard potential.

Dangerous Viruses Exposure - assigned for a period of 30 consecutive days or more to participate in or conduct applied basic research that is characterized by a changing variety of techniques, procedures, equipment, and experiments working with micro-organisms (1) that cause disease (a) with a high potential for mortality and (b) for which effective therapeutic procedures are not available, and (2) for which no effective prophylactic immunization exists.

Chemical Munitions Handlers - this is a peacetime hazardous duty incentive pay for members of the uniformed services whose primary duties require the routine physical handling of chemical munitions or chemical surety material. Routine physical handling must be incident to manufacturing, maintenance, storage, testing, laboratory analysis, transportation, surveillance, assembly, disassembly, demilitarization, or disposal of chemical munitions or chemical surety material. This incentive pay is not authorized for individuals who handle the individual components of binary munitions, diluted solutions of toxic chemicals, riot control agents, chemical defoliants, herbicides, smoke, flame and incendiaries, or industrial chemicals.

Part II - Justification of Funds Requested

The projected average number of payments are based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for hazardous duty incentive pay is computed by multiplying the projected average number of each type by the statutory rate. An Army decision to reduce the number of parachute positions as a cost avoidance initiative lowers the requirement for parachute pay by \$2.6 million from FY97 to FY98.

Detailed cost computations are provided by the following table:

ENLISTED INCENTIVE PAY FOR HAZARDOUS DUTY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------------|-------------------|----------|----------|-------------------|----------|----------|-------------------|----------|----------|-------------------|----------|----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| INCENTIVE PAY | | | | | | | | | | | | |
| FLYING DUTY CREW MEMBERS | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 1 | \$ 2,400 | \$ 2 | 1 | \$ 2,400 | \$ 2 | 1 | \$ 2,400 | \$ 2 | 1 | \$ 2,400 | \$ 2 |
| 1ST SGT/MASTER SGT..... | 8 | 2,400 | 19 | 12 | 2,400 | 29 | 12 | 2,400 | 29 | 12 | 2,400 | 29 |
| PLATOON SGT/SGT 1ST CLASS.. | 133 | 2,400 | 319 | 127 | 2,400 | 305 | 135 | 2,400 | 324 | 124 | 2,400 | 298 |
| STAFF SERGEANT..... | 674 | 2,100 | 1,415 | 1,239 | 2,100 | 2,602 | 1,292 | 2,100 | 2,713 | 1,297 | 2,100 | 2,724 |
| SERGEANT..... | 1,287 | 1,800 | 2,317 | 925 | 1,800 | 1,665 | 925 | 1,800 | 1,665 | 909 | 1,800 | 1,636 |
| CPL/SPECIALIST 4..... | 1,186 | 1,500 | 1,779 | 926 | 1,500 | 1,389 | 888 | 1,500 | 1,332 | 888 | 1,500 | 1,332 |
| PRIVATE, 1ST CLASS..... | 153 | 1,320 | 202 | 83 | 1,320 | 110 | 55 | 1,320 | 73 | 55 | 1,320 | 73 |
| PRIVATE (E2)..... | 9 | 1,320 | 12 | 5 | 1,320 | 7 | 3 | 1,320 | 4 | 3 | 1,320 | 4 |
| PRIVATE (E1)..... | 5 | 1,320 | 7 | 2 | 1,320 | 3 | 2 | 1,320 | 3 | 2 | 1,320 | 3 |
| SUBTOTAL..... | 3,456 | | \$ 6,072 | 3,320 | | \$ 6,112 | 3,313 | | \$ 6,145 | 3,291 | | \$ 6,101 |
| FLYING DUTY NON-CREW MEMBERS.. | 793 | \$1,320 | \$ 1,047 | 884 | \$1,320 | \$ 1,167 | 884 | \$1,320 | \$ 1,167 | 884 | \$1,320 | \$ 1,167 |
| TOTAL FLYING DUTY PAY..... | 4,249 | | \$ 7,119 | 4,204 | | \$ 7,279 | 4,197 | | \$ 7,312 | 4,175 | | \$ 7,268 |
| OTHER HAZARDOUS DUTY | | | | | | | | | | | | |
| PARACHUTE JUMPING..... | 32,412 | 1,320 | 42,784 | 32,699 | 1,320 | 43,163 | 30,719 | 1,320 | 40,549 | 30,719 | 1,320 | 40,549 |
| EXPERIMENTAL STRESS..... | 68 | 1,320 | 90 | 88 | 1,320 | 116 | 90 | 1,320 | 119 | 90 | 1,320 | 119 |
| DEMOLITION OF EXPLOSIVES... | 1,303 | 1,320 | 1,720 | 940 | 1,320 | 1,241 | 937 | 1,320 | 1,237 | 961 | 1,320 | 1,269 |
| TOXIC FUEL..... | 9 | 1,320 | 12 | 9 | 1,320 | 12 | 9 | 1,320 | 12 | 9 | 1,320 | 12 |
| TOXIC PESTICIDES EXPOSURE.. | 7 | 1,320 | 9 | 4 | 1,320 | 5 | 4 | 1,320 | 5 | 4 | 1,320 | 5 |
| DANGEROUS VIRUSES EXPOSURE. | 121 | 1,000 | 121 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| HIGH ALTITUDE JUMP PAY..... | 1,120 | 1,980 | 2,218 | 844 | 1,980 | 1,671 | 844 | 1,980 | 1,671 | 844 | 1,980 | 1,671 |
| CHEMICAL MUNITIONS..... | 156 | 1,320 | 206 | 293 | 1,320 | 387 | 293 | 1,320 | 387 | 293 | 1,320 | 387 |
| SUBTOTAL..... | 35,196 | | 47,160 | 34,877 | | 46,595 | 32,896 | | 43,980 | 32,920 | | 44,012 |
| TOTAL ENLISTED INCENTIVE PAY | 39,445 | | 54,279 | 39,081 | | 53,874 | 37,093 | | 51,292 | 37,095 | | 51,280 |
| FOR HAZARDOUS PAY..... | | | | | | | | | | | | |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 13,990
\$ 14,010
\$ 23,806
\$ 55,379

Project: Special Pay - Enlisted

Part I - Purpose and Scope

The funds requested will provide for Special Pay to enlisted personnel while on sea duty, and while on duty outside the contiguous 48 states and the District of Columbia. Special Pay is paid at rates varying from \$8-22.50 per month. Rates depend on grade, at places designated by the secretary under the provisions of 37 U.S.C. 305; and for diving pay under the provisions of 37 U.S.C. 304 and 310, divers are assigned to a position which supports marine or special operations units. Duties of marine diving detachments include underwater construction (construction of piers and pipelines), harbor clearance, and ship salvage. Special forces (combat) diving operations include infiltration and exfiltration, combat surface swimming, search and recovery, target attack, harassing and interdiction, and reconnaissance operations. Also included are funds to support special payments for overseas extension incentives under provisions of 37 U.S.C. 314; and for Foreign Language Proficiency Pay (FLPP) authorized under the provisions of 37 U.S.C. 316, as provided by PL 99-661. FLPP is a monthly monetary incentive that is paid to all military personnel who qualify for and maintain the required proficiency in designated foreign languages. The monthly rate for FLPP may not exceed \$100.00 per individual. Hostile Fire Pay is paid to enlisted personnel on duty subject to hostile fire or imminent danger (37 U.S.C. 310). Hostile fire is paid at a rate of \$150 per month.

The funds requested also provide for Career Sea Pay and Career Sea Pay Premium under 37 U.S.C. 305, for Army members who are permanently or temporarily assigned to an army vessel in commission or in service and equipped with berthing and messing facilities which are regularly used for the intended purposes. In addition, the ship's mission is accomplished while underway, or the ship's mission is accomplished in port, but away from its home port for 30 consecutive days or more. A member who is in receipt of career sea pay and who has served over 36 consecutive months of sea duty is entitled to career sea pay monthly premium of \$100.00 for the 37th consecutive month and each subsequent month. Individuals who are affected by Career Sea Pay are generally assigned to one of four locations: Fort Eustis, Virginia; Hawaii; Panama; and the Azores.

Part II - Justification of Funds Requested

The projected average number of payments is based on the total spaces where each type of pay is authorized to meet force structure requirements. The compensation for each type of Special Pay is developed by multiplying the projected number eligible for each type of pay by the statutory rate. The decrease from FY97 to FY98 of \$9.8 million reflects the FY97 Bosnia mission.

Contingency operations funding in FY98 accounts for \$3.4 million for Imminent Danger Pay and \$.4 million for Duty at Certain Places Pay. Funding for contingency operations in FY99 is \$3.5 million for Imminent Danger Pay and \$.4 million for Duty at Certain Places Pay.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-----------------------------------|----------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| SEA DUTY PAY..... | 396 | \$ 1,538 | \$ 609 | 396 | \$ 1,538 | \$ 609 | 396 | \$ 1,480 | \$ 586 | 396 | \$ 1,480 | \$ 586 |
| DUTY AT CERTAIN PLACES | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 232 | \$ 270 | \$ 63 | 231 | \$ 270 | \$ 62 | 194 | \$ 270 | \$ 52 | 193 | \$ 270 | \$ 52 |
| 1ST SGT/MASTER SGT..... | 906 | 270 | 245 | 902 | 270 | 244 | 758 | 270 | 205 | 757 | 270 | 204 |
| PLATOON SGT/SGT 1ST CLASS.. | 7,080 | 270 | 1,912 | 4,132 | 270 | 1,116 | 2,944 | 270 | 795 | 2,937 | 270 | 793 |
| STAFF SERGEANT..... | 1,200 | 240 | 288 | 6,440 | 240 | 1,546 | 4,588 | 240 | 1,101 | 4,577 | 240 | 1,098 |
| SERGEANT..... | 16,514 | 192 | 3,171 | 10,006 | 192 | 1,921 | 7,128 | 192 | 1,369 | 7,110 | 192 | 1,365 |
| CORPORAL/SPECIALIST 4..... | 17,000 | 156 | 2,652 | 16,192 | 156 | 2,526 | 11,535 | 156 | 1,799 | 11,507 | 156 | 1,795 |
| PRIVATE, FIRST CLASS..... | 6,461 | 108 | 698 | 6,430 | 108 | 694 | 5,408 | 108 | 584 | 5,394 | 108 | 583 |
| PRIVATE (E2)..... | 2,756 | 96 | 265 | 2,742 | 96 | 263 | 2,307 | 96 | 221 | 2,301 | 96 | 221 |
| PRIVATE (E1)..... | 427 | 96 | 41 | 425 | 96 | 41 | 358 | 96 | 34 | 357 | 96 | 34 |
| TOTAL DUTY AT CERTAIN PLACES..... | 52,576 | | \$ 9,335 | 47,500 | | \$ 8,413 | 35,220 | | \$ 6,160 | 35,133 | | \$ 6,145 |
| SUBTOTAL..... | 52,972 | | \$ 9,944 | 47,896 | | \$ 9,022 | 35,616 | | \$ 6,746 | 35,529 | | \$ 6,731 |
| FOREIGN LANGUAGE PAY..... | 5,334 | \$ 720 | \$ 3,840 | 5,709 | \$ 720 | \$ 4,110 | 5,709 | \$ 720 | \$ 4,110 | 5,709 | \$ 720 | \$ 4,110 |
| DIVING DUTY PAY..... | 491 | 2,053 | 1,008 | 493 | 2,047 | 1,009 | 491 | 2,053 | 1,008 | 491 | 2,053 | 1,008 |
| HOSTILE FIRE PAY..... | 22,439 | 1,800 | 40,390 | 4,812 | 1,800 | 8,662 | 635 | 1,800 | 1,143 | 632 | 1,800 | 1,138 |
| OVERSEAS EXTENSION PAY..... | 205 | 960 | 197 | 1,045 | 960 | 1,003 | 1,045 | 960 | 1,003 | 1,045 | 960 | 1,003 |
| TOTAL ENLISTED SPECIAL PAY... | 81,441 | | \$ 55,379 | 59,955 | | \$ 23,806 | 43,496 | | \$ 14,010 | 43,406 | | \$ 13,990 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|-----------|
| ESTIMATE FY 1999 | \$ 50,901 |
| ESTIMATE FY 1998 | \$ 51,927 |
| ESTIMATE FY 1997 | \$ 52,746 |
| ACTUAL FY 1996 | \$ 42,833 |

Project: Special Duty Assignment Pay - Enlisted

Part I - Purpose and Scope

The Special Duty Assignment Pay (SDAP) program is authorized under provision of 37 U.S.C. 307, as amended, by PL-98-525. SDAP is a monthly monetary incentive that is paid to enlisted members who qualify for and serve in designated special duty assignments. The funds are utilized for recruiters, guidance counselors, retention NCO's, drill sergeants, and specially designated personnel who have extremely demanding duties requiring extraordinary effort for satisfactory performance, and/or unusual degree of responsibilities.

Part II - Justification and Funds Requested

These funds are utilized to ensure readiness by compensating and influencing specially designated soldiers, recruiters, retention NCO's, and drill sergeants who perform demanding duties which require special training and extraordinary effort for satisfactory performance. The estimate decreases by \$1 million between FY98 and FY99 resulting from the reduced number of authorizations for production recruiters.

Detailed cost computations are provided by the following table:

ENLISTED SPECIAL DUTY ASSIGNMENT PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|-------------------|-------------|-----------|-------------------|-------------|-----------|-------------------|-------------|-----------|-------------------|-------------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SPECIAL DUTY | | | | | | | | | | | | |
| ASSIGNMENT | | | | | | | | | | | | |
| SD6 (\$375.00) | 3,587 | \$ 4,500.00 | \$ 16,142 | 6,875 | \$ 4,500.00 | \$ 30,938 | 6,693 | \$ 4,500.00 | \$ 30,119 | 6,465 | \$ 4,500.00 | \$ 29,093 |
| SD5 (\$275.00) | 5,006 | 3,300.00 | 16,520 | 1,914 | 3,300.00 | 6,316 | 1,914 | 3,300.00 | 6,316 | 1,914 | 3,300.00 | 6,316 |
| SD4 (\$220.00) | 2,589 | 2,640.00 | 6,835 | 896 | 2,640.00 | 2,365 | 896 | 2,640.00 | 2,365 | 896 | 2,640.00 | 2,365 |
| SD3 (\$165.00) | 1,685 | 1,980.00 | 3,336 | 6,630 | 1,980.00 | 13,127 | 6,630 | 1,980.00 | 13,127 | 6,630 | 1,980.00 | 13,127 |
| TOTAL ENLISTED SPECIAL | | | | | | | | | | | | |
| DUTY ASSIGNMENT PAY..... | 12,867 | | \$ 42,833 | 16,315 | | \$ 52,746 | 16,133 | | \$ 51,927 | 15,905 | | \$ 50,901 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|-------------------|-----------|
| ESTIMATED FY 1999 | \$ 41,406 |
| ESTIMATED FY 1998 | \$ 40,076 |
| ESTIMATED FY 1997 | \$ 47,923 |
| ACTUAL FY 1996 | \$ 37,793 |

Project: Reenlistment Bonus - Enlisted

Part I - Purpose and Scope

The Selective Reenlistment Bonus Program (SRB) is authorized under the provisions of Title 37 U.S.C. 308. The law states that a member of a uniformed service who has completed at least twenty-one months of continuous active duty but not more than fourteen years of active duty, is qualified in a skill designated as critical, and reenlists for a period of at least three years may be paid a bonus. The bonus will not exceed six months of the base pay multiplied by the additional obligated service (not to exceed six years). For most Army personnel, the maximum bonus cannot exceed \$20,000. However, the maximum may be extended to \$45,000 for not more than 10 percent of bonus recipients.

The purpose of the SRB Program is to increase the number of reenlistments in critical skills characterized by current or projected retention levels insufficient to adequately man the career force. The SRB Program also works as a valuable tool in the force alignment process by helping to draw people from overage skills to shortage skills through the bonus extension and retraining program.

SRB payments are made using the installment method of payment. Fifty percent of the total bonus is paid at the time of reenlistment with the remaining bonus being paid in equal annual installments over the balance of the reenlistment contract period.

Part II - Justification of Funds Requested

The Selective Reenlistment Bonus Program is a key component in mos/grade cell force alignment initiatives. The focus of the SRB Program is to reenlist sufficient specialists and sergeants to overcome or prevent present and future sergeants and staff-sergeants manning shortfalls. These have a direct negative impact on the combat and operational readiness of Army units.

In addition to critically and moderately short MOS/grade cells, there are specific MOS categories that require exceptional management and the application of reenlistment bonuses. These skills include special operations MOS and skills required to meet various treaty commitments.

The Army has and will continue to focus management initiatives to balance overage and shortage skills through the Force Alignment Plan (FAP). For shortage skills, we continually evaluate the SRB Program and offer bonuses where appropriate. Other adjustments to align the force include: recruiting fully qualified prior service personnel, reclassification of soldiers into shortage skills, and increasing promotion opportunities to soldiers in shortage skills. In overage skills, the Army constrains promotion opportunity, constrains reclassification of soldiers into these skills, restricts fully qualified prior service personnel from enlisting in these skills, and does not permit retention beyond the Retention Control Point (RCP's). The Army will continue to focus and apply management initiatives to develop an optimal force structure.

The estimate decreases from FY97 to FY98 by \$7.8 million and increases by \$1.3 million between FY98 and FY99. The fluctuation of estimates between fiscal years reflect the changes in the number of personnel receiving initial payments. Shortages at specific grade/cell/MOS will continue despite the continued drawdown of the Army.

Project: Reenlistment Bonus - Enlisted

Furnished in accordance with Congressional direction, the following are the Army's most critically imbalanced skills as of January 1997 (restricted to MOS with authorizations in at least four grade cells):

| MOS | Title | Shortage MOS |
|-----|---|--------------|
| 13E | Cannon Fire Direction Specialist | |
| 13P | MLRS Operations/Fire Direction SP | |
| 13R | Field Artillery Firefinder Radar Operator | |
| 14J | Early Warning System Operator | |
| 14R | Line of Sight - Forward - Heavy Crewmember | |
| 31F | Network Switching Systems Operator/Maintainer | |
| 31S | Satellite Communications System Operator-Maintainer | |
| 35M | Radar Repairer | |
| 35R | Avionic Radar Repairer | |
| 46R | Broadcast Journalist | |

Detailed cost computations are provided by the following table:

ENLISTED REENLISTMENT BONUS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATED FY 1997 | | | ESTIMATED FY 1998 | | | ESTIMATED FY 1999 | | |
|-------------------------------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SELECTED REENLISTMENT BONUS | | | | | | | | | | | | |
| INITIAL PAYMENTS..... | 3,864 | \$ 4,281 | \$ 16,540 | 6,044 | \$ 4,400 | \$ 26,593 | 4,158 | \$ 4,530 | \$ 18,837 | 4,365 | \$ 4,670 | \$ 20,386 |
| ANNIVERSARY PAYMENTS..... | 24,471 | 868 | 21,253 | 16,145 | 1,321 | 21,330 | 16,621 | 1,278 | 21,239 | 15,267 | 1,377 | 21,020 |
| TOTAL REENLISTMENT BONUS..... | 28,335 | | \$ 37,793 | 22,189 | | \$ 47,923 | 20,779 | | \$ 40,076 | 19,632 | | \$ 41,406 |

ENLISTED REENLISTMENT BONUS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | FY 1996 | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | | | | | | | | |
|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT | | | | | | | | |
| PRIOR | | | | | | | | | | | | | | | | |
| OBLIGATIONS..... | 24,471 | 25,853 | 12,319 | 15,959 | 6,850 | 7,339 | 2,186 | 2,321 | 973 | 996 | 0 | 0 | 0 | 0 | | |
| ANNIVERSARY | | | | | | | | | | | | | | | | |
| PAYMENTS..... | 3,864 | 16,540 | 3,826 | 5,371 | 3,787 | 5,264 | 3,041 | 4,118 | 842 | 958 | 721 | 0 | 0 | 0 | 0 | |
| PRIOR YEAR (96) | | | | | | | | | | | | | | | | |
| INITIAL & | | | | | | | | | | | | | | | | |
| SUBSEQUENT | | | | | | | | | | | | | | | | |
| ANNIVERSARY | | | | | | | | | | | | | | | | |
| PAYMENTS..... | 0 | 0 | 6,044 | 26,593 | 5,983 | 8,636 | 5,923 | 8,463 | 4,757 | 6,622 | 1,318 | 1,540 | 1,076 | 1,159 | 0 | 0 |
| CURRENT YEAR (97) | | | | | | | | | | | | | | | | |
| INITIAL & | | | | | | | | | | | | | | | | |
| SUBSEQUENT | | | | | | | | | | | | | | | | |
| ANNIVERSARY | | | | | | | | | | | | | | | | |
| PAYMENTS..... | 0 | 0 | 0 | 0 | 4,158 | 18,837 | 4,117 | 6,117 | 4,075 | 5,995 | 3,273 | 4,690 | 906 | 1,091 | 740 | 821 |
| BUDGET YEAR (98) | | | | | | | | | | | | | | | | |
| INITIAL & | | | | | | | | | | | | | | | | |
| SUBSEQUENT | | | | | | | | | | | | | | | | |
| ANNIVERSARY | | | | | | | | | | | | | | | | |
| PAYMENTS..... | 0 | 0 | 0 | 0 | 0 | 0 | 4,365 | 20,386 | 4,322 | 6,620 | 4,278 | 6,488 | 3,435 | 4,076 | 952 | 1,180 |
| BUDGET YEAR (99) | | | | | | | | | | | | | | | | |
| INITIAL & | | | | | | | | | | | | | | | | |
| SUBSEQUENT | | | | | | | | | | | | | | | | |
| INITIAL PAYMENTS.... | 3,864 | 16,540 | 6,044 | 26,593 | 4,158 | 18,837 | 4,365 | 20,386 | 5,283 | 25,225 | 5,368 | 26,141 | 5,184 | 25,244 | 5,516 | 26,861 |
| TOTAL | | | | | | | | | | | | | | | | |
| ANNIVERSARY | | | | | | | | | | | | | | | | |
| PAYMENTS..... | 24,471 | 21,253 | 16,145 | 21,330 | 16,621 | 21,239 | 15,267 | 21,020 | 14,969 | 21,191 | 14,786 | 21,631 | 15,909 | 23,843 | 16,241 | 24,800 |
| SRB TOTAL..... | 37,793 | | | 47,923 | 40,076 | | 41,406 | | 46,416 | | 47,772 | | 49,087 | | 51,661 | |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATED FY 1999
ESTIMATED FY 1998
ESTIMATED FY 1997
ACTUAL FY 1996

\$ 18,185
\$ 18,065
\$ 24,299
\$ 18,144

Project: Enlistment Bonus - Enlisted

Part I - Purpose and Scope

Enlistment Bonuses are used to attract higher quality high school diploma graduates into designated Army skills which are difficult to fill with qualified enlistees. The payment is authorized by 37 U.S.C. 308A, as amended by PL 101-189 allows for up to \$12,000 for a four year enlistment, of which the initial lump sum payment may not exceed \$7,000. The remaining amount is paid quarterly over the year following initial payment. The payment authorized by 37 U.S.C. 308F allows up to \$4,000 for a three year enlistee who scores 50 or above on the Armed Forces Qualification Test (AFQT). The Army pays soldiers after completion of initial entry skill training and after the soldier arrives at their first duty station.

New Payments - payments are made before 30 September for individuals who enter active duty and complete skill training during the same fiscal year.

Residual Payments - payments expected in current fiscal year are for individuals who entered the service in previous fiscal years. Since payments do not occur until completion of skill training and after arrival at first duty station, an average of four months elapses from the time the individual enters the service and the initial payment is made.

Incremental Payments - by law, only \$7,000 may be paid in lump sum. The Army has elected to establish \$5,000 as the maximum amount paid. Amounts above \$5,000 are paid in four equal payments commencing three months after the initial payment and continuing every three months for one year. These payments are contractual obligations.

Part II - Justification of Funds Requested

The Enlistment Bonus Program is designed to expand penetration into the quality market and to distribute quality among the 250 plus initial entry military occupational specialties (MOS).

Quality goals for army accessions are: at least 95 percent high school diploma graduates, 67 percent Test Score Category (TSC) Category I-IIIA, and less than 2 percent Category IV.

The program is tied to a level commensurate with programmed recruiting mission. These funding levels are critical to attaining army quality goals during a period of low positive propensity of the youth market to enlist. It is becoming increasingly difficult to recruit sufficient soldiers to sustain a quality force.

The estimate decreases by \$6.2 million between FY97 and FY98. The decrease occurs primarily because the Enlistment Bonus Program increase by \$12M in FY97 to assist recruiters in filling additional critical skills as a result of a larger mission.

Detailed cost computations are provided by the following table:

ENLISTMENT BONUS PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATED FY 1997 | | | ESTIMATED FY 1998 | | | ESTIMATED FY 1999 | | |
|-------------------------------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| ENLISTED BONUS PROGRAM | | | | | | | | | | | | |
| NEW PAYMENTS | | | | | | | | | | | | |
| UP THRU \$2,000..... | 443 | \$ 1,830 | \$ 811 | 294 | \$ 1,785 | \$ 525 | 629 | \$ 1,785 | \$ 1,123 | 633 | \$ 1,785 | \$ 1,130 |
| UP THRU \$3,000..... | 242 | 2,833 | 686 | 196 | 2,875 | 564 | 404 | 2,875 | 1,162 | 407 | 2,875 | 1,170 |
| UP THRU \$4,000..... | 345 | 3,906 | 1,348 | 410 | 3,876 | 1,589 | 967 | 3,876 | 3,748 | 973 | 3,876 | 3,771 |
| UP THRU \$5,000..... | 385 | 4,763 | 1,834 | 242 | 4,990 | 1,208 | 168 | 4,990 | 838 | 169 | 4,990 | 843 |
| UP THRU \$8,000..... | 867 | 5,000 | 4,335 | 1,832 | 5,000 | 9,160 | 761 | 5,000 | 3,805 | 766 | 5,000 | 3,830 |
| TOTAL..... | 2,282 | | \$ 9,014 | 2,974 | | \$ 13,046 | 2,929 | | \$ 10,676 | 2,948 | | \$ 10,744 |
| RESIDUAL NEW PAYMENTS | | | | | | | | | | | | |
| UP THRU \$2,000..... | 375 | \$ 1,830 | \$ 686 | 262 | \$ 1,867 | \$ 489 | 370 | \$ 1,867 | \$ 691 | 372 | \$ 1,867 | \$ 695 |
| UP THRU \$3,000..... | 279 | 2,833 | 790 | 226 | 2,945 | 666 | 258 | 2,945 | 760 | 260 | 2,945 | 766 |
| UP THRU \$4,000..... | 465 | 3,906 | 1,816 | 380 | 3,915 | 1,488 | 565 | 3,915 | 2,212 | 569 | 3,915 | 2,228 |
| UP THRU \$5,000..... | 300 | 4,763 | 1,429 | 208 | 4,990 | 1,038 | 98 | 4,990 | 489 | 99 | 4,990 | 494 |
| UP THRU \$8,000..... | 390 | 5,000 | 1,950 | 1,026 | 5,000 | 5,130 | 472 | 5,000 | 2,360 | 475 | 5,000 | 2,375 |
| TOTAL..... | 1,809 | | \$ 6,671 | 2,102 | | \$ 8,811 | 1,763 | | \$ 6,512 | 1,775 | | \$ 6,558 |
| ANNIVERSARY (INCREMENTAL) | | | | | | | | | | | | |
| PAYMENTS..... | 4,614 | \$ 533 | \$ 2,459 | 4,581 | \$ 533 | \$ 2,442 | 1,646 | \$ 533 | \$ 877 | 1,656 | \$ 533 | \$ 883 |
| TOTAL | 8,705 | | \$ 18,144 | 9,657 | | \$ 24,299 | 6,338 | | \$ 18,065 | 6,379 | | \$ 18,185 |
| ENLISTMENT BONUS PROGRAM..... | | | | | | | | | | | | |

ENLISTMENT BONUS INCREMENT PAYMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 # PAYMENTS | AMOUNT \$ | ESTIMATED FY 1997 # PAYMENTS | AMOUNT \$ | ESTIMATED FY 1998 # PAYMENTS | AMOUNT \$ | ESTIMATED FY 1999 # PAYMENTS | AMOUNT \$ |
|-------------------------------|------------------------------|-----------|---------------------------------|-----------|---------------------------------|-----------|---------------------------------|-----------|
| NEW OBLIGATIONS..... | 1,154 | 615 | 1,145 | 611 | 412 | 219 | 414 | 221 |
| PRIOR OBLIGATIONS..... | 3,460 | 1,845 | 3,436 | 1,832 | 1,234 | 658 | 1,242 | 662 |
| TOTAL INCREMENT PAYMENTS..... | 4,614 | 2,460 | 4,581 | 2,442 | 1,646 | 877 | 1,656 | 883 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 1,085,157
\$ 1,053,674
\$ 997,769
\$ 987,079

Project: Basic Allowance for Quarters - Enlisted

Part I - Purpose and Scope

An Army member who is entitled to basic pay is entitled to a basic allowance for quarters (BAQ). Monthly rates are assigned according to the pay grade. However, a member who is assigned to quarters in the U. S. or to a housing facility under the jurisdiction of a uniformed service appropriate to the member's rank and adequate for member and the member's dependents, if with dependents, is not entitled to a BAQ. The authorization for payment, 37 U.S.C. 403 states except that a member assigned to such quarters may not be denied BAQ if, because of orders of competent authority, the member's dependents are prevented from occupying those quarters. There are four types of BAQ payments: (1) to members with dependents, not occupying government quarters; (2) to members without dependents, not occupying government quarters; (3) partial payment to members without dependents assigned to single-type quarters; and (4) to members with dependents occupying inadequate housing. Under the provisions of PL 97-214 the rental charge for inadequate quarters is the fair rental value for such quarters, not to exceed 75 percent of the occupant's BAQ at the with dependent rate. As part of the Quality of Life Proposal, BAQ rates increased for With and Without Dependents to 5.2 percent in FY96 (1.8 percent above the pay raise amount) and 4.6 percent in FY97 (1.6 percent the pay raise amount).

Part II - Justification of Funds Requested

The estimate increases by \$55.9 million from FY97 to FY98. The annualization of the FY97 pay raise accounts for a net increase of +\$11.2 million and the FY98 2.8 percent pay raise is \$23.7 million. Force manning reductions decrease the net amount by \$2.9 million. Housing related changes reflects a \$23.9 million increase. The estimate increases by \$31.9 million from FY98 to FY99. The annualization of the FY98 pay raise accounts for a net increase of \$7.9 million and the FY99 3.0 percent pay raise is \$24.4 million. Force manning reductions decrease the net amount by \$5.4 million. Family housing inventory changes the net amount by a \$4.5 million increase.

Detailed cost computations are provided by the following table:

ENLISTED BASIC ALLOWANCE FOR QUARTERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-------------------------|-------------------|------------|------------|-------------------|------------|------------|-------------------|------------|------------|-------------------|------------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| BAQ WITH DEPENDENTS | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 1,905 | \$7,473.60 | \$ 14,237 | 1,894 | \$7,828.29 | \$ 14,827 | 1,919 | \$8,099.37 | \$ 15,543 | 1,871 | \$8,350.44 | \$ 15,624 |
| 1ST SGT/MASTER SGT... | 7,329 | 6,890.40 | 50,500 | 7,205 | 7,217.46 | 52,002 | 7,357 | 7,467.33 | 54,937 | 7,458 | 7,698.84 | 57,418 |
| PLTN SGT/SGT FCL..... | 24,327 | 6,396.30 | 155,603 | 23,928 | 6,699.87 | 160,314 | 23,673 | 6,931.86 | 164,098 | 23,078 | 7,146.72 | 164,932 |
| STAFF SERGEANT..... | 32,423 | 5,913.00 | 191,717 | 30,694 | 6,193.35 | 190,099 | 30,756 | 6,407.82 | 197,079 | 30,177 | 6,606.48 | 199,364 |
| SERGEANT..... | 34,976 | 5,315.40 | 185,911 | 34,871 | 5,567.67 | 194,150 | 35,107 | 5,760.42 | 202,231 | 35,278 | 5,938.95 | 209,514 |
| CORPORAL/SPC 4..... | 41,551 | 4,622.40 | 192,065 | 38,050 | 4,841.46 | 184,218 | 39,278 | 5,009.13 | 196,749 | 40,234 | 5,164.44 | 207,786 |
| PRIVATE, 1ST CL..... | 11,327 | 4,302.00 | 48,729 | 11,216 | 4,506.30 | 50,543 | 11,624 | 4,682.33 | 54,195 | 12,212 | 4,806.90 | 58,702 |
| PRIVATE (E2)..... | 5,281 | 4,095.90 | 21,630 | 5,222 | 4,290.30 | 22,404 | 5,552 | 4,438.89 | 24,645 | 5,294 | 4,576.47 | 24,228 |
| PRIVATE (E1)..... | 3,731 | 4,095.90 | 15,282 | 3,749 | 4,290.30 | 16,084 | 4,416 | 4,438.89 | 19,602 | 4,262 | 4,576.47 | 19,505 |
| TOTAL BAQ | | | | | | | | | | | | |
| WITH DEPENDENTS..... | 162,850 | | \$ 875,674 | 156,829 | | \$ 884,641 | 159,682 | | \$ 929,079 | 159,864 | | \$ 957,073 |
| BAQ WITHOUT DEPENDENTS | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 186 | \$5,670.90 | \$ 1,055 | 188 | \$5,940.09 | \$ 1,117 | 201 | \$6,145.80 | \$ 1,235 | 196 | \$6,336.36 | \$ 1,242 |
| 1ST SGT/MASTER SGT... | 822 | 5,205.60 | 4,279 | 823 | 5,452.20 | 4,487 | 888 | 5,640.96 | 5,009 | 895 | 5,815.80 | 5,205 |
| PLTN SGT/SGT FCL..... | 3,599 | 4,444.20 | 15,995 | 3,605 | 4,655.25 | 16,782 | 3,768 | 4,816.44 | 18,148 | 3,655 | 4,965.78 | 18,150 |
| STAFF SERGEANT..... | 4,604 | 4,024.80 | 18,530 | 4,438 | 4,215.78 | 18,710 | 4,699 | 4,361.73 | 20,496 | 4,587 | 4,496.91 | 20,627 |
| SERGEANT..... | 5,057 | 3,711.60 | 18,770 | 5,134 | 3,888.09 | 19,961 | 5,461 | 4,022.76 | 21,968 | 5,460 | 4,147.47 | 22,645 |
| CORPORAL/SPC 4..... | 10,978 | 3,228.30 | 35,440 | 10,236 | 3,381.57 | 34,614 | 11,165 | 3,498.63 | 39,062 | 11,379 | 3,607.11 | 41,045 |
| PRIVATE, 1ST CLASS... | 1,527 | 3,168.00 | 4,838 | 1,539 | 3,318.30 | 5,107 | 1,685 | 3,433.23 | 5,785 | 1,762 | 3,539.70 | 6,237 |
| PRIVATE (E2)..... | 256 | 2,574.00 | 659 | 258 | 2,696.31 | 696 | 289 | 2,789.64 | 806 | 274 | 2,876.10 | 788 |
| PRIVATE (E1)..... | 53 | 2,293.20 | 122 | 54 | 2,402.10 | 130 | 67 | 2,485.23 | 167 | 65 | 2,562.27 | 167 |
| TOTAL BAQ | | | | | | | | | | | | |
| WITHOUT DEPENDENTS..... | 27,082 | | \$ 99,688 | 26,275 | | \$ 101,604 | 28,223 | | \$ 112,676 | 28,273 | | \$ 116,106 |

ENLISTED BASIC ALLOWANCE FOR QUARTERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--|-------------------|------------|-----------|-------------------|------------|-----------|-------------------|------------|-------------|-------------------|------------|-------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| BAQ PARTIAL ALLOWANCE | | | | | | | | | | | | |
| BACHELOR | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 19 | \$223.20 | \$ 4 | 19 | \$223.20 | \$ 4 | 19 | \$223.20 | \$ 4 | 18 | \$223.20 | \$ 4 |
| 1ST SGT/MASTER SGT. | 60 | 183.60 | 11 | 60 | 183.60 | 11 | 60 | 183.60 | 11 | 61 | 183.60 | 11 |
| PLTN SGT/SGT FCL... | 389 | 144.00 | 56 | 389 | 144.00 | 56 | 378 | 144.00 | 54 | 367 | 144.00 | 53 |
| STAFF SERGEANT..... | 2,357 | 118.80 | 280 | 2,271 | 118.80 | 270 | 2,235 | 118.80 | 266 | 2,182 | 118.80 | 259 |
| SERGEANT..... | 9,116 | 104.40 | 952 | 9,254 | 104.40 | 966 | 9,148 | 104.40 | 955 | 9,148 | 104.40 | 955 |
| CORPORAL/SPC 4..... | 41,172 | 97.20 | 4,002 | 38,390 | 97.20 | 3,732 | 38,914 | 97.20 | 3,782 | 39,664 | 97.20 | 3,855 |
| PRIVATE, 1ST CLASS. | 30,188 | 93.60 | 2,826 | 30,434 | 93.60 | 2,849 | 30,971 | 93.60 | 2,899 | 32,382 | 93.60 | 3,031 |
| PRIVATE (E2)..... | 20,774 | 86.40 | 1,795 | 20,920 | 86.40 | 1,807 | 21,836 | 86.40 | 1,887 | 20,723 | 86.40 | 1,790 |
| PRIVATE (E1)..... | 16,023 | 82.80 | 1,327 | 16,392 | 82.80 | 1,357 | 18,963 | 82.80 | 1,570 | 18,213 | 82.80 | 1,508 |
| TOTAL BAQ PARTIAL ALLOWANCE BACHELOR... | 120,098 | | \$ 11,253 | 118,129 | | \$ 11,052 | 122,524 | | \$ 11,428 | 122,758 | | \$ 11,466 |
| BAQ INADEQUATE FAMILY HOUSING | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 0 | \$1,868.40 | \$ 0 | 0 | \$1,957.07 | \$ 0 | 0 | \$2,024.84 | \$ 0 | 0 | \$2,087.61 | \$ 0 |
| 1ST SGT/MASTER SGT. | 2 | 1,722.60 | 3 | 2 | 1,804.37 | 4 | 2 | 1,866.83 | 4 | 2 | 1,924.71 | 4 |
| PLTN SGT/SGT FCL... | 16 | 1,599.08 | 26 | 16 | 1,674.97 | 27 | 16 | 1,732.97 | 28 | 15 | 1,786.68 | 27 |
| STAFF SERGEANT..... | 30 | 1,478.25 | 44 | 29 | 1,548.34 | 45 | 29 | 1,601.96 | 46 | 28 | 1,651.62 | 46 |
| SERGEANT..... | 54 | 1,328.85 | 72 | 55 | 1,391.92 | 77 | 54 | 1,440.11 | 78 | 54 | 1,484.74 | 80 |
| CORPORAL/SPC 4..... | 195 | 1,155.60 | 225 | 182 | 1,210.37 | 220 | 184 | 1,252.28 | 230 | 188 | 1,291.11 | 243 |
| PRIVATE, 1ST CLASS. | 74 | 1,075.50 | 80 | 75 | 1,126.58 | 84 | 76 | 1,165.58 | 89 | 80 | 1,201.73 | 96 |
| PRIVATE (E2)..... | 12 | 1,023.98 | 12 | 12 | 1,072.58 | 13 | 12 | 1,109.72 | 13 | 12 | 1,144.12 | 14 |
| PRIVATE (E1)..... | 2 | 1,023.98 | 2 | 2 | 1,072.58 | 2 | 3 | 1,109.72 | 3 | 2 | 1,144.12 | 2 |
| TOTAL BAQ INADEQUATE FAMILY HOUSING..... | 385 | | \$ 464 | 373 | | \$ 472 | 376 | | \$ 491 | 381 | | \$ 512 |
| TOTAL ENLISTED BASIC ALLOWANCE FOR QUARTERS..... | 310,415 | | \$987,079 | 301,606 | | \$997,769 | 310,805 | | \$1,053,674 | 311,276 | | \$1,085,157 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 205,280
\$ 203,420
\$ 186,525
\$ 185,299

Project: Variable Housing Allowance - Enlisted

Part I - Purpose and Scope

The funds required are to provide for payment of a Variable Housing Allowance authorized under the provisions of PL 96-343, dated 8 September 80. Under this law a member entitled to a basic allowance for quarters is entitled to a Variable Housing Allowance whenever assigned to duty in an area of the United States, (including Alaska and Hawaii for those soldiers assigned to these two states on or after 9 November 85), which has been designated as a high cost area. This payment is also made to those members serving unaccompanied tours of duty outside the United States when the member's dependents reside in an area where this allowance is authorized.

Part II - Justification of Funds Requested

The Variable Housing Allowances are developed by multiplying the projected average number of personnel by grade by the average rate applicable. The estimate increases by \$16.7 million between FY97 and FY98. The FY98 inflation change of 2.1 percent provides an increase for cost growth of \$4.2 million. Force manning costs provides a decrease of \$1.8 million. These are offset by an increase of \$14.3 million reflecting changes in the family housing inventory, E-6 off-post housing, and Capital Venture Initiative (CVI). The estimate increases by \$1.9 million between FY98 and FY99. The FY99 inflation change of 2.1 percent provides an increase for cost growth of +\$4.3 million. Force manning costs provides a decrease of \$.03 million and a decrease of \$2.4 million reflects changes in the family housing inventory.

This account includes increases of .3 million in FY98 and \$1 million in FY99 of legislatively approved contingency funds for proximity moves.

Detailed cost computations are provided by the following table:

ENLISTED VARIABLE HOUSING ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-----------------------------|-------------------|-------------|----------|-------------------|-------------|----------|-------------------|-------------|----------|-------------------|-------------|----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SERGEANT MAJOR..... | 1,855 | \$ 1,729.50 | \$ 3,208 | 1,887 | \$ 1,765.61 | \$ 3,332 | 2,016 | \$ 1,803.01 | \$ 3,635 | 1,946 | \$ 1,841.20 | \$ 3,583 |
| 1ST SGT/MASTER SGT..... | 7,070 | 1,707.76 | 12,074 | 7,104 | 1,743.42 | 12,385 | 7,652 | 1,780.35 | 13,623 | 7,677 | 1,818.06 | 13,957 |
| PLATOON SGT/SGT 1ST CLASS.. | 23,425 | 1,631.07 | 38,208 | 23,556 | 1,665.13 | 39,224 | 24,579 | 1,700.40 | 41,794 | 23,722 | 1,736.42 | 41,191 |
| STAFF SERGEANT..... | 29,595 | 1,399.18 | 41,409 | 28,643 | 1,428.39 | 40,913 | 30,272 | 1,458.65 | 44,156 | 29,403 | 1,489.55 | 43,797 |
| SERGEANT..... | 31,077 | 1,217.70 | 37,842 | 31,677 | 1,243.12 | 39,378 | 33,635 | 1,269.45 | 42,698 | 33,460 | 1,296.34 | 43,376 |
| CORPORAL/SPECIALIST 4..... | 36,776 | 1,067.68 | 39,265 | 34,430 | 1,089.97 | 37,528 | 37,487 | 1,113.06 | 41,725 | 38,011 | 1,136.64 | 43,205 |
| PRIVATE, 1ST CLASS..... | 9,555 | 846.18 | 8,085 | 9,672 | 863.85 | 8,355 | 10,572 | 882.15 | 9,326 | 10,997 | 900.84 | 9,907 |
| PRIVATE (E2)..... | 3,663 | 857.37 | 3,141 | 3,704 | 875.27 | 3,242 | 4,154 | 893.81 | 3,713 | 3,920 | 912.74 | 3,578 |
| PRIVATE (E1)..... | 2,354 | 878.06 | 2,067 | 2,419 | 896.39 | 2,168 | 3,004 | 915.38 | 2,750 | 2,873 | 934.77 | 2,686 |

| | | | | | | | | | | | | |
|-----------------------------|---------|--|------------|---------|--|------------|---------|--|------------|---------|--|------------|
| TOTAL ENLISTED | 145,370 | | \$ 185,299 | 143,092 | | \$ 186,525 | 153,371 | | \$ 203,420 | 152,009 | | \$ 205,280 |
| VARIABLE HOUSING ALLOWANCE: | | | | | | | | | | | | |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 319,181
\$ 303,799
\$ 405,872
\$ 383,983

Project: Station Allowance Overseas - Enlisted

Part I - Purpose and Scope

The funds requested will provide payment of a per diem allowance to enlisted personnel on duty outside the United States considering all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by joint travel regulations and authorized under provisions of 37 U.S.C. 405.

Part II - Justification of Funds Requested

Overseas Station Allowance payments are determined by multiplying the projected number of personnel eligible for each type of allowance by the estimated average rate applicable. Fluctuations in currency exchange rates have a direct impact on Overseas Station Allowance. This is especially true in the case of Germany. Starting in 1986, the devaluation of the dollar abroad has required increased cola for full support areas in Germany - the preponderance of soldiers are assigned to full support areas. The FY98/99 estimates for overseas station allowances are based on rates of exchange of 1.564 DM/\$1 US. Beginning in FY97, MPA rejoins the Foreign Currency Fluctuation, Defense Account.

The net estimate decreases by \$102.1 million from FY97 to FY98. The annualization of the FY97 pay raise and a Temporary Lodging Allowance cost growth contributes to an increase of \$3.5 million increase. The cost of the FY98, 2.8 percent pay raise is \$4.4 million. Foreign currency changes account for a decrease of \$108.3 million. Costs associated with the number of personnel receiving TLA and overseas deployments are reflected in a decrease of \$1.7 million. The net estimate increases by \$15.4 million from FY98 to FY99. The annualization of the FY98 pay raise and a Temporary Lodging Allowance cost growth contributes to an increase of \$3.3 million increase. The cost of the FY99, 3.0 percent pay raise is \$5.2 million. Foreign currency changes account for \$5.3 million. Costs associated with the number of personnel receiving TLA and overseas deployments are reflected in an increase of \$1.6 million.

Detailed cost computations are provided by the following table:

ENLISTED OVERSEAS STATION ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| COST OF LIVING | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 722 | \$ 5,565.00 | \$ 4,017 | 722 | \$ 6,205.56 | \$ 4,483 | 722 | \$ 4,629.85 | \$ 3,345 | 723 | \$ 4,891.90 | \$ 3,536 |
| 1ST SGT/MASTER SGT.. | 2,426 | 4,853.00 | 11,775 | 2,482 | 5,442.18 | 13,508 | 2,482 | 3,988.70 | 9,900 | 2,483 | 4,214.49 | 10,465 |
| PLATOON SGT/SGT FC.. | 9,180 | 4,436.00 | 40,723 | 9,233 | 5,187.00 | 47,893 | 9,233 | 3,644.92 | 33,655 | 9,238 | 3,851.93 | 35,583 |
| STAFF SERGEANT..... | 14,903 | 3,951.00 | 58,882 | 14,295 | 4,384.19 | 62,670 | 14,294 | 3,250.44 | 46,463 | 14,301 | 3,434.73 | 49,121 |
| SERGEANT..... | 22,449 | 3,414.00 | 76,641 | 22,227 | 3,826.73 | 85,056 | 22,227 | 2,769.99 | 61,568 | 22,237 | 2,927.34 | 65,096 |
| CORPORAL/SPC 4..... | 35,841 | 2,606.00 | 93,403 | 30,653 | 2,818.02 | 86,382 | 30,653 | 2,135.73 | 65,467 | 30,668 | 2,256.87 | 69,214 |
| PRIVATE, 1ST CLASS.. | 12,610 | 1,731.00 | 21,829 | 12,714 | 1,906.80 | 24,243 | 12,714 | 1,398.32 | 17,778 | 12,720 | 1,477.10 | 18,788 |
| PRIVATE (E2)..... | 5,155 | 1,201.00 | 6,192 | 6,615 | 1,372.32 | 9,078 | 6,615 | 1,061.41 | 7,022 | 6,619 | 1,121.49 | 7,423 |
| PRIVATE (E1)..... | 1,025 | 1,165.00 | 1,194 | 788 | 1,370.13 | 1,080 | 788 | 836.24 | 659 | 788 | 882.97 | 696 |
| SUBTOTAL..... | 104,312 | | \$ 314,656 | 99,730 | | \$ 334,393 | 99,729 | | \$ 245,857 | 99,777 | | \$ 259,922 |
| HOUSING ALLOWANCE | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 76 | \$ 7,104.00 | \$ 540 | 83 | \$ 7,981.56 | \$ 662 | 81 | \$ 5,622.62 | \$ 453 | 81 | \$ 5,489.02 | \$ 443 |
| 1ST SGT/MASTER SGT.. | 355 | 6,944.00 | 2,465 | 387 | 7,614.10 | 2,947 | 376 | 5,154.13 | 1,938 | 376 | 5,031.68 | 1,892 |
| PLATOON SGT/SGT FC.. | 1,314 | 7,319.00 | 9,617 | 1,337 | 7,556.52 | 10,103 | 1,299 | 5,549.14 | 7,207 | 1,299 | 5,417.28 | 7,036 |
| STAFF SERGEANT..... | 1,513 | 7,195.00 | 10,886 | 1,558 | 7,417.28 | 11,556 | 1,513 | 5,398.72 | 8,171 | 1,513 | 5,270.45 | 7,977 |
| SERGEANT..... | 1,668 | 6,421.00 | 10,710 | 1,684 | 6,667.70 | 11,228 | 1,636 | 4,815.59 | 7,878 | 1,636 | 4,701.18 | 7,690 |
| CORPORAL/SPC 4..... | 1,546 | 6,069.00 | 9,383 | 1,199 | 6,472.99 | 7,761 | 1,165 | 4,556.90 | 5,307 | 1,165 | 4,448.64 | 5,181 |
| PRIVATE, 1ST CLASS.. | 190 | 5,973.00 | 1,135 | 166 | 6,009.31 | 998 | 161 | 4,525.26 | 730 | 161 | 4,417.74 | 712 |
| PRIVATE (E2)..... | 34 | 6,871.00 | 234 | 20 | 7,711.74 | 154 | 19 | 5,008.14 | 97 | 19 | 4,889.14 | 95 |
| PRIVATE (E1)..... | 3 | 8,894.00 | 27 | 1 | 6,974.05 | 7 | 1 | 3,072.40 | 3 | 1 | 2,999.40 | 3 |
| SUBTOTAL..... | 6,699 | | \$ 44,997 | 6,435 | | \$ 45,416 | 6,251 | | \$ 31,784 | 6,251 | | \$ 31,029 |
| TEMPORARY LODGING ALLOWANCE..... | 44,501 | \$ 546.72 | \$ 24,330 | 46,645 | \$ 558.75 | \$ 26,063 | 45,808 | \$ 571.04 | \$ 26,158 | 48,324 | \$ 584.18 | \$ 28,230 |
| TOTAL ENLISTED STATION ALLOWANCE OVERSEAS.... | 155,512 | | \$ 383,983 | 152,810 | | \$ 405,872 | 151,788 | | \$ 303,799 | 154,352 | | \$ 319,181 |

ESTIMATE FY 1999
 ESTIMATE FY 1998
 ESTIMATE FY 1997
 ACTUAL FY 1996

\$ 968
 \$ 968
 \$ 968
 \$ 968

Project: CONUS Cost of Living Allowance - Enlisted

Part I - Purpose and Scope

The funds requested will provide payment of a cost of living allowance (COLA) to soldiers who are assigned to high cost areas in the continental United States (CONUS). A high cost area is defined as a locality where the cost of living exceeds the average cost of living in CONUS by an established threshold percentage during a base period. The threshold percentage is established by the Secretary of Defense but cannot be less than eight percent. The current established threshold is 109 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation level) multiplied by the difference between the COLA index for the individual's high cost area and the threshold percentage. The allowance was authorized by the FY95 DoD Authorization Act.

Part II - Justification of Funds Requested

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

Detailed cost computations are provided by the following table:

ENLISTED CONUS COST OF LIVING ALLOWANCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-----------------|----------------|--------|--------|------------------|--------|--------|------------------|--------|--------|------------------|--------|--------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| CONUS COLA..... | 1,359 | 712.00 | \$ 968 | 1,359 | 712.00 | \$ 968 | 1,359 | 712.00 | \$ 968 | 1,359 | 712.00 | \$ 968 |

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 197,896 |
| ESTIMATE FY 1998 | \$ 196,939 |
| ESTIMATE FY 1997 | \$ 203,004 |
| ACTUAL FY 1996 | \$ 177,653 |

Project: Clothing Allowances - Enlisted

Part I - Purpose and Scope

The funds requested will provide for payment to enlisted personnel for prescribed clothing authorized by the Secretary of Defense under the provisions of 37 U.S.C. 418 including:

- (1) Initial Clothing Allowance when authorized by competent orders.
- (2) for cash payment of the Clothing Basic Maintenance Allowance authorized from the sixth month of entrance on duty through the thirty-sixth month and or cash payment of the Standard Maintenance Allowance authorized from the thirty-seventh month through the completion of the enlistment.
- (3) for cost of Issue-In-Kind in areas where clothing maintenance allowance is not authorized.
- (4) Supplementary Clothing Allowances for personnel assigned to special organizations or details where the nature of the duties to be performed require additional items of individual clothing not required for the majority of enlisted personnel.

Part II - Justification of Funds Requested

The estimated \$6.1 million decrease between FY97 and FY98 reflects reduced numbers receiving allowances offset by increased clothing bag rates and other associated rates.

Detailed cost computations are provided by the following table:

ENLISTED CLOTHING ALLOWANCES
RATE SUMMARY REVIEW
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | | | | |
|--------------------------------|--|--|--|--|
| INITIAL ISSUE | FY 1997 COLUMN OF FY 1997 PRES BUDGET | FY 1997 COLUMN OF FY 1998 PRES BUDGET | FY 1998 COLUMN OF FY 1998 PRES BUDGET | FY 1999 COLUMN OF FY 1998 PRES BUDGET |
| ENLISTED MEN..... | 969.53 | 951.70 | 972.64 | 995.01 |
| ENLISTED WOMEN..... | 1,208.59 | 1,175.84 | 1,201.71 | 1,229.35 |
| CLOTHING MAINTENANCE ALLOWANCE | | | | |
| ENLISTED MEN - BASIC..... | 197.32 | 228.88 | 233.92 | 239.30 |
| - STANDARD..... | 281.88 | 326.97 | 334.16 | 341.85 |
| ENLISTED WOMEN - BASIC..... | 222.21 | 298.50 | 305.07 | 312.09 |
| - STANDARD..... | 317.44 | 426.42 | 435.80 | 445.82 |

ENLISTED CLOTHING ALLOWANCES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---|-------------------|-------------|-----------|-------------------|-------------|-----------|-------------------|-------------|-----------|-------------------|-------------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| CLOTHING - | | | | | | | | | | | | |
| INITIAL ALLOWANCE | | | | | | | | | | | | |
| MILITARY CLOTHING | | | | | | | | | | | | |
| CIVILIAN LIFE, MEN..... | 54,765 | \$ 948.66 | \$ 51,953 | 66,633 | \$ 951.70 | \$ 63,415 | 65,809 | \$ 972.64 | \$ 64,008 | 64,826 | \$ 995.01 | \$ 64,503 |
| CIVILIAN LIFE, WOMEN.... | 13,851 | 1,182.57 | 16,380 | 17,067 | 1,175.84 | 20,068 | 17,424 | 1,201.71 | 20,939 | 18,078 | 1,229.35 | 22,224 |
| ARMY RESERVE W/ PARTIAL CLOTHING ALLOWANCE.... | 75 | 282.30 | 21 | 75 | 288.51 | 22 | 75 | 294.86 | 22 | 75 | 301.64 | 23 |
| NATIONAL GUARD WITH PARTIAL CLOTHING ALLOWANCE..... | 65 | 218.75 | 14 | 65 | 223.56 | 15 | 65 | 228.48 | 15 | 65 | 233.74 | 15 |
| LESS SAVINGS ON DEFERRED CLOTHING ISSUE..... | | | (1,366) | | | (1,747) | | | (1,678) | | | (1,748) |
| ADVANCE FUNDING FOR NEW CLOTHING ITEMS..... | | | 0 | | | 0 | | | 579 | | | 0 |
| LIQUIDATION OF PRIOR YEAR ADVANCES..... | | | 0 | | | 0 | | | 0 | | | (579) |
| TOTAL | | | \$ 67,002 | | | \$ 81,773 | | | \$ 83,885 | | | \$ 84,438 |
| MILITARY CLOTHING..... | | | | | | | | | | | | |
| CIVILIAN CLOTHING | | | | | | | | | | | | |
| WINTER AND SUMMER..... | 1,497 | \$ 1,217.00 | \$ 1,822 | 1,497 | \$ 1,244.00 | \$ 1,862 | 1,497 | \$ 1,271.37 | \$ 1,903 | 1,497 | \$ 1,300.61 | \$ 1,947 |
| WINTER OR SUMMER..... | 76 | 787.00 | 60 | 76 | 804.00 | 61 | 76 | 821.69 | 62 | 76 | 840.59 | 64 |
| TEMPORARY DUTY..... | 164 | 449.00 | 74 | 162 | 459.00 | 74 | 162 | 469.10 | 76 | 162 | 479.89 | 78 |
| SPEC CONTINUING - | | | | | | | | | | | | |
| DUAL SEASON..... | 209 | 608.50 | 127 | 209 | 622.00 | 130 | 209 | 635.68 | 133 | 209 | 650.30 | 136 |
| SPEC CONTINUING - | | | | | | | | | | | | |
| SINGLE SEASON..... | 35 | 393.50 | 14 | 35 | 402.00 | 14 | 35 | 410.84 | 14 | 35 | 420.29 | 15 |
| TOTAL | | | \$ 2,097 | | | \$ 2,141 | | | \$ 2,188 | | | \$ 2,240 |
| CIVILIAN CLOTHING..... | | | | | | | | | | | | |
| TOTAL INITIAL ALLOWANCE... | | | \$ 69,099 | | | \$ 83,914 | | | \$ 86,073 | | | \$ 86,678 |

ENLISTED CLOTHING ALLOWANCES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|-------------------|-----------|------------|-------------------|-----------|------------|-------------------|-----------|------------|-------------------|-----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| CLOTHING - | | | | | | | | | | | | |
| MAINTENANCE ALLOWANCE | | | | | | | | | | | | |
| BASIC MAINTENANCE | | | | | | | | | | | | |
| (PERSONNEL WITH 7-36 | | | | | | | | | | | | |
| MONTHS SERVICE) | | | | | | | | | | | | |
| MALE..... | 90,842 | \$ 193.07 | \$ 17,539 | 93,196 | \$ 228.88 | \$ 21,331 | 93,758 | \$ 233.92 | \$ 21,932 | 115,943 | \$ 239.30 | \$ 27,745 |
| FEMALE..... | 17,052 | 217.43 | 3,708 | 17,782 | 298.50 | 5,308 | 17,873 | 305.07 | 5,453 | 18,824 | 312.09 | 5,875 |
| TOTAL..... | | | \$ 21,247 | | | \$ 26,639 | | | \$ 27,385 | | | \$ 33,620 |
| STANDARD MAINTENANCE | | | | | | | | | | | | |
| (PERSONNEL WITH 37 | | | | | | | | | | | | |
| MONTHS OF MORE | | | | | | | | | | | | |
| MONTHS SERVICE) | | | | | | | | | | | | |
| MALE..... | 253,439 | \$ 275.81 | \$ 69,901 | 218,237 | \$ 326.97 | \$ 71,357 | 187,928 | \$ 334.16 | \$ 62,798 | 169,767 | \$ 341.85 | \$ 58,035 |
| FEMALE..... | 35,885 | 310.61 | 11,146 | 34,809 | 426.42 | 14,843 | 32,864 | 435.80 | 14,322 | 29,335 | 445.82 | 13,078 |
| TOTAL..... | | | \$ 81,047 | | | \$ 86,200 | | | \$ 77,120 | | | \$ 71,113 |
| TOTAL | | | \$ 102,294 | | | \$ 112,839 | | | \$ 104,505 | | | \$ 104,733 |
| MAINTENANCE ALLOWANCE..... | | | | | | | | | | | | |
| SUPPLEMENTARY ALLOWANCE... | | | 1,899 | | | 1,871 | | | 1,915 | | | 1,964 |
| OTHER | | | | | | | | | | | | |
| ISS.-IN-KIND-KATUSA..... | 5,900 | \$ 397.70 | \$ 2,346 | 5,200 | \$ 406.45 | \$ 2,114 | 5,200 | \$ 415.39 | \$ 2,160 | 5,200 | \$ 424.94 | \$ 2,210 |
| REPLACEMENT DURING | | | | | | | | | | | | |
| FIRST SIX MONTHS..... | 68,616 | 14.80 | 1,015 | 83,700 | 15.12 | 1,266 | 83,233 | 15.45 | 1,286 | 82,904 | 15.81 | 1,311 |
| CHARGE SALES..... | | | 1,000 | | | 1,000 | | | 1,000 | | | 1,000 |
| TOTAL..... | | | \$ 4,361 | | | \$ 4,380 | | | \$ 4,446 | | | \$ 4,521 |
| TOTAL | | | \$ 177,653 | | | \$ 203,004 | | | \$ 196,939 | | | \$ 197,896 |
| CLOTHING ALLOWANCES..... | | | | | | | | | | | | |
| LESS REIMBURSABLE | | | | | | | | | | | | |
| OBLIGATIONS..... | | | \$ 1,000 | | | \$ 1,000 | | | \$ 1,000 | | | \$ 1,000 |
| TOTAL DIRECT ENLISTED | | | | | | | | | | | | |
| CLOTHING OBLIGATIONS..... | | | \$ 176,653 | | | \$ 202,004 | | | \$ 195,939 | | | \$ 196,896 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 29,291
\$ 28,939
\$ 31,932
\$ 42,408

Project: Family Separation Allowances - Enlisted

Part I - Purpose and Scope

The funds requested are to provide for family separation allowance payments to enlisted personnel with dependents on duty outside the United States or in Alaska for added separation expenses under two circumstances:

- (1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for the member's family and one overseas for the member. Payment is made at the monthly quarters allowance rate authorized for a member of the same grade without dependents.
- (2) When a member with dependents makes a permanent change of station or is on temporary duty travel, or on board ship for thirty days or more either in CONUS or overseas and the travel of dependents to the member's duty station is not authorized and dependents do not reside at or near duty station. The payment is \$75 per month (37 U.S.C. 427).

Part II - Justification of Funds Requested

The estimated number of payments are actual performance and programmed requirements for overseas stationing. Allowances for family separation payments are determined by multiplying the estimated number of personnel for each type of family separation allowance by the statutory rate applicable. The estimated decrease between FY97 and FY98 is \$3 million. The annualization of the FY97 pay raise is \$.03 million. The FY98 pay raise of 2.8 percent accounts for an increase of \$.07 million. A decrease of \$6.4 million reflects the decreased number receiving payments in FY98 and is directly related to FY97 mission in Bosnia.

Funding for contingency operations in this account in FY98 and FY99 is \$.7 million.

Detailed cost computations are provided by the following table:

ENLISTED FAMILY SEPARATION PAY
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--|----------------|-------------|-----------|------------------|-------------|-----------|------------------|-------------|-----------|------------------|-------------|-----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| PCS OVERSEAS WITH DEPENDENTS NOT AUTHORIZED AND MAINTAINS TWO HOMES | | | | | | | | | | | | |
| SERGEANT MAJOR..... | 13 | \$ 5,670.90 | \$ 74 | 13 | \$ 5,940.09 | \$ 77 | 13 | \$ 6,145.80 | \$ 80 | 13 | \$ 6,336.36 | \$ 82 |
| 1ST SGT/MASTER SGT..... | 58 | 5,205.60 | 302 | 58 | 5,452.20 | 316 | 57 | 5,640.96 | 322 | 58 | 5,815.80 | 337 |
| PLATOON SGT/SGT 1ST CLASS.. | 226 | 4,444.20 | 1,004 | 225 | 4,655.25 | 1,047 | 222 | 4,816.44 | 1,069 | 226 | 4,965.78 | 1,122 |
| STAFF SERGEANT..... | 177 | 4,024.80 | 712 | 177 | 4,215.78 | 746 | 175 | 4,361.73 | 763 | 177 | 4,496.91 | 796 |
| SERGEANT..... | 134 | 3,711.60 | 497 | 134 | 3,888.09 | 521 | 132 | 4,022.76 | 531 | 134 | 4,147.47 | 556 |
| CORPORAL/SPECIALIST 4..... | 64 | 3,228.30 | 207 | 64 | 3,381.57 | 216 | 63 | 3,498.63 | 220 | 64 | 3,607.11 | 231 |
| SUBTOTAL..... | 672 | | \$ 2,796 | 671 | | \$ 2,923 | 662 | | \$ 2,985 | 672 | | \$ 3,124 |
| PCS CONUS OR OVERSEAS WITH DEPENDENTS NOT AUTHORIZED.... | 17,288 | \$ 900.00 | \$ 15,559 | 17,285 | \$ 900.00 | \$ 15,557 | 17,032 | \$ 900.00 | \$ 15,329 | 17,285 | \$ 900.00 | \$ 15,557 |
| TDY CONUS OR OVERSEAS FOR MORE THAN 30 DAYS RESIDING NEAR TDY STATION..... | 26,725 | 900.00 | 24,053 | 14,947 | 900.00 | 13,452 | 11,806 | 900.00 | 10,625 | 11,789 | 900.00 | 10,610 |
| TOTAL ENLISTED FAMILY SEPARATION ALLOWANCES..... | 44,685 | | \$ 42,408 | 32,903 | | \$ 31,932 | 29,500 | | \$ 28,939 | 29,746 | | \$ 29,291 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 212,088
\$ 236,325
\$ 272,518
\$ 307,045

Project: Separation Payments - Enlisted

Part I - Purpose and Scope

Accrued Leave Payments - members are authorized 30 days of ordinary leave annually. They may accumulate a maximum of no more than 60 days unused leave at the beginning of any fiscal year. Upon retirement or separation, members are paid for unused accrued leave at the rate of basic pay to which entitled at time of release. Effective 10 February 76, a member cannot be paid for more than 60 days of accrued leave during his military career. This limitation does not include payments for accrued leave made before that date.

Severance Pay - Disability - Disability Severance Pay is authorized to members on active duty who are discharged because of physical disability and who have less than 20 years of service and less than 30 percent disability.

Severance Pay - Non Disability - commencing in FY91 non disability severance pay is authorized to members on active duty who are involuntarily separated from service, are not eligible for retirement pay, and meet minimum time-in-service requirements.

The FY92 National Defense Authorization Act approved two voluntary separation pay programs to employ during the force drawdown. The programs apply to both officers and enlisted soldiers who have more than six and less than 20 years of service. The first, Voluntary Separation Incentive (VSI), is an annuity that makes annual payments for twice the number of years served for soldiers who voluntarily leave active duty. The second program, special separation benefits (SSB), provides a lump of one and a half times involuntary separation pay (50 percent more) for soldiers who voluntarily leave active duty. VSI and SSB will be used to reduce involuntary separations. They will not be offered to all soldiers. The programs will be offered through a differential policy targeting groups facing involuntary separations and soldiers serving in coverage specialties to aid in reducing involuntary separations and facilitate force shaping requirements during the drawdown. Soldiers will be given the their choice between the two incentives. The legislation terminates VSI/SSB at the end of FY99.

The FY93 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving their drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Soldiers approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent times of years of service times basic pay times reduction factor. The authority to use the early retirement benefit terminates on 1 October 99.

Part II - Justification of Funds Requested

Severance payments are determined by multiplying the projected number eligible for each type of payment by the estimated average payment applicable. Accumulated leave payments are made based upon leave accrued as of 1 September 76. For leave accumulated prior to 1 September 76, and retained throughout the career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 to E-9 with dependents, and 70 cents per day to all members for subsistence. For leave accumulated after 1 September 76, to include lowering of leave balances prior to 1 September 76, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay of grade held at time of discharge multiplied by the number of years active service, but not more than 12. The SSB amount is from the annual base pay times 15 percent times years of service. The VSI (annuity) is a product of annual base pay times 2.5 percent times years of service and is paid for twice the number of years served, without any cost of living adjustments. Donations are computed by multiplying the programmed number of releases from confinement and the number discharged for fraudulent enlistments by \$25.00. The National Defense Authorization Act for FY92 and FY93 required the establishment of a VSI Fund effective 1 January 93 from which VSI payments will be made. The act further required the board of actuaries to determine: (1) the amount necessary to liquidate the original unfunded liability, i.e., those personnel accepting VSI benefits prior to 1 January 93 and (2) the total present value costs necessary to fund those members accepting VSI benefits after 1 January 93.

The net estimate decreased by \$36.2 million from FY97 to FY98. The annualization of the FY97 payraise increased by \$1.8 million. The FY98, 2.8 percent pay raise reflects a increase of \$4.4 million. A decreased number of soldiers receiving separation payments provide a net decrease of \$27.8 million. Decreased payment into the VSI Trust Fund contribute a net decrease of \$14.6 million. The net estimate decreased by \$24.2 million from FY98 to FY99. The annualization of the FY98 payraise increased by \$1.7 million. The FY99, 3.0 percent pay raise reflects an increase of \$4.1 million. A decreased number of soldiers receiving separation payments provide

a decrease of \$26.6 million. Decreased payment into the VSI Trust Fund contribute to a decrease of \$3.4 million.

This account includes \$.1 million in FY98 and FY99 of legislatively approved contingency funds for leave sell back.

Detailed cost computations are provided by the following table:

ENLISTED SEPARATION PAYMENTS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------|----------------|------|-----------|------------------|--------|------|------------------|-----------|--------|------------------|------------|-----------|
| | NUMBER | DAYS | RATE | AMOUNT | NUMBER | DAYS | RATE | AMOUNT | NUMBER | DAYS | RATE | AMOUNT |
| LUMP SUM TERMINAL | | | | | | | | | | | | |
| LEAVE PAYMENTS | | | | | | | | | | | | |
| SGT MAJOR..... | 548 | 19.0 | \$ 2,042 | \$ 1,119 | 427 | 19.0 | \$ 2,100 | \$ 897 | 336 | 19.0 | \$ 2,160 | \$ 726 |
| 1ST SGT/MSG..... | 2,014 | 19.0 | 1,649 | 3,321 | 1,636 | 19.0 | 1,696 | 2,775 | 1,279 | 19.0 | 1,745 | 2,231 |
| PLATOON SGT/SFC... | 4,807 | 23.0 | 1,664 | 7,999 | 4,228 | 23.0 | 1,712 | 7,237 | 3,663 | 23.0 | 1,760 | 6,448 |
| STAFF SGT..... | 3,795 | 26.0 | 1,582 | 6,004 | 3,857 | 26.0 | 1,627 | 6,276 | 3,235 | 26.0 | 1,674 | 5,414 |
| SERGEANT..... | 12,429 | 21.0 | 1,051 | 13,063 | 13,004 | 21.0 | 1,081 | 14,059 | 10,696 | 21.0 | 1,112 | 11,893 |
| CPL/SPEC 4..... | 38,609 | 15.0 | 628 | 24,246 | 35,451 | 15.0 | 648 | 22,957 | 22,508 | 15.0 | 664 | 14,954 |
| PRIVATE, FC..... | 5,231 | 19.0 | 651 | 3,405 | 5,137 | 19.0 | 670 | 3,440 | 3,874 | 19.0 | 689 | 2,668 |
| PRIVATE (E2)..... | 3,596 | 16.0 | 521 | 1,874 | 3,532 | 16.0 | 536 | 1,893 | 2,659 | 16.0 | 551 | 1,466 |
| PRIVATE (E1)..... | 2,555 | 16.0 | 447 | 1,142 | 2,509 | 16.0 | 460 | 1,154 | 1,889 | 16.0 | 473 | 893 |
| SUBTOTAL..... | 73,584 | | | \$ 62,173 | 69,781 | | | \$ 60,688 | 50,139 | | | \$ 46,693 |
| | | | | | | | | | | | | \$ 47,067 |
| SEVERANCE PAY | | | | | | | | | | | | |
| (DISABILITY)..... | 3,451 | | \$ 17,250 | \$ 59,530 | 3,784 | | \$ 16,552 | \$ 62,633 | 3,868 | | \$ 17,026 | \$ 65,857 |
| | | | | | | | | | | | | \$ 17,531 |
| | | | | | | | | | | | | \$ 65,724 |
| AUTHORIZED | | | | | | | | | | | | |
| DONATIONS..... | 152 | | 25 | 4 | 152 | | 25 | 4 | 152 | | 25 | 4 |
| INVOLUNTARY | | | | | | | | | | | | |
| HALF PAY (5%)..... | 3,018 | | 10,667 | 32,193 | 2,182 | | 9,950 | 21,711 | 2,062 | | 10,235 | 21,105 |
| INVOLUNTARY | | | | | | | | | | | | |
| FULL PAY (10%).... | 7,422 | | 15,716 | 116,644 | 3,492 | | 15,612 | 54,517 | 3,299 | | 16,059 | 52,979 |
| VOLUNTARY SPEC | | | | | | | | | | | | |
| SEP BENEFIT (15%).. | 0 | | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 |
| 15 YEAR RETIREMENT | 838 | | 32,370 | 27,126 | 1,400 | | 32,564 | 45,590 | 1,100 | | 33,547 | 36,902 |
| | | | | | | | | | | | | 400 |
| | | | | | | | | | | | | 34,491 |
| | | | | | | | | | | | | 13,796 |
| SEVERANCE PAY | | | | | | | | | | | | |
| (NON-DISABILITY) .. | 11,278 | | | \$ 175,963 | 7,074 | | \$ 121,818 | 6,461 | | | \$ 110,986 | 5,750 |
| | | | | | | | | | | | | \$ 89,918 |
| VOLUNTARY SEPARA- | | | | | | | | | | | | |
| TION INCENTIVE | | | | | | | | | | | | |
| (DIRECT MILITARY | | | | | | | | | | | | |
| PAYMENTS) 1)..... | 0 | | | \$ 9,375 | 0 | | \$ 27,375 | 0 | | | \$ 12,785 | 0 |
| THRU | | | | | | | | | | | | |
| DEC 31, 1992.. | 0 | | | 9,375 | 0 | | 9,375 | 0 | | | 9,375 | 0 |
| JAN 1, 1993 | | | | | | | | | | | | |
| AND AFTER..... | 0 | | | 0 | 0 | | 18,000 | 0 | | | 3,410 | 0 |
| | | | | | | | | | | | | 0 |
| TOTAL ENLISTED | | | | | | | | | | | | |
| SEPARATION | | | | | | | | | | | | |
| PAYMENTS..... | 88,465 | | | \$307,045 | 80,791 | | \$272,518 | 60,620 | | | \$236,325 | 59,452 |
| | | | | | | | | | | | | \$212,088 |

1) VSI recipients after 31 Dec 92 - Payments are made from the Military Personnel, Army Appropriation to the VSI Trust Fund.

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 645,760
\$ 634,721
\$ 625,704
\$ 632,202

Project: Social Security Tax - Employer's Obligation - Enlisted

Part I - Purpose and Scope

The funds requested provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percentage. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. The maximum amount of earnings per individual on which tax is payable and the percent payable, for the Old Age, Survivors, and Disability (OASDI) and Medicare programs are:

| Calendar year | OASDI Base | Medicare base |
|---------------|------------|----------------|
| 1995 | \$61,200 | No upper limit |
| 1996 | \$62,700 | No upper limit |
| 1997 | \$65,400 | No upper limit |
| 1998 | \$68,700 | No upper limit |
| 1999 | \$71,400 | No upper limit |

The request reflects the impact of PL 99-576, which provides for removal from taxable income of the \$1,200 member contribution required for participation in the basic benefit program of the new G.I. Bill effective 1 January 86.

The estimate from FY97 to FY98 increases by \$9 million. Force manning costs decrease by \$1.1 million. The increase for the annualization of the FY97 pay raise provides a net increase of \$4.1 million. The FY98, 2.8 percent pay raise reflects an increase of \$11.7 million. The G.I. Bill decreased between FY97 and FY98 by \$4 million. There is a \$5.3 million decrease in the wage credit costs. The net estimate from FY98 to FY99 increases by \$11 million. Force manning costs decrease by \$5.5 million. The increase for the annualization of the FY98 pay raise is of \$3.9 million. The FY99, 2.8 percent pay raise reflects an increase of \$12.7 million. The G.I. Bill increased between FY98 and FY99 by \$1 million. \$2 million reflects a decreased change in the wage credit costs.

Detailed cost computations are provided by the following table:

ENLISTED SOCIAL SECURITY TAX
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|-------------------|----------|------------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| SOC. SEC TAX-EMPLOYER'S CONTRIBUTION OF TAX | | | | | | | | | | | | |
| ON BASIC PAY..... | 414,716 | \$ 1,318 | \$ 546,529 | 406,700 | \$ 1,333 | \$ 542,051 | 410,972 | \$ 1,354 | \$ 556,368 | 410,382 | \$ 1,383 | \$ 567,607 |
| WAGE CREDITS..... | | | \$ 87,413 | | | \$ 85,393 | | | \$ 80,093 | | | \$ 79,893 |
| LESS NON-JUDICIAL FINES AND FORFEITURES..... | | | \$ 1,740 | | | \$ 1,740 | | | \$ 1,740 | | | \$ 1,740 |
| TOTAL ENLISTED SOCIAL SECURITY TAX..... | 414,716 | | \$ 632,202 | 406,700 | | \$ 625,704 | 410,972 | | \$ 634,721 | 410,382 | | \$ 645,760 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| | | |
|---------------------------------------|-------|-----------|
| Pay and Allowances of Cadets | | Amount |
| FY 1997 Direct Program | | \$ 36,903 |
| Increases: | | |
| Cadet manyyears/Subsistence Inflation | 1,776 | |
| Total Increases: | 1,776 | |
| FY 1998 Direct Program | | \$ 38,679 |
| Increases: | | |
| Cadet manyyears/Subsistence Inflation | 1,197 | |
| Total Increases: | 1,197 | |
| FY 1999 Direct Program | | \$ 39,876 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|-----------|
| ESTIMATE FY 1999 | \$ 39,876 |
| ESTIMATE FY 1998 | \$ 38,679 |
| ESTIMATE FY 1997 | \$ 36,903 |
| ACTUAL FY 1996 | \$ 35,495 |

Project: Academy Cadets

Part I - Purpose and Scope

The funds requested provide for basic pay and allowances of Academy Cadets and commuted ration allowance under the provisions of 37 U.S.C. 201, 203, and 422; and for the employer's share of FICA tax as provided by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

The fund requirement was determined by applying statutory rates to the projected manyears. The daily reimbursement rate for cadet rations increases from \$5.03 per day in FY97 to \$5.14 in FY98 and \$5.26 in FY99 due to inflation. The cost of operational rations is included for field training.

Detailed cost computations are provided by the following table:

PAY AND ALLOWANCES OF ACADEMY CADETS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|-------------------|----------|-----------|
| | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT | AVERAGE NUMBER | RATE | AMOUNT |
| (1) BASIC PAY..... | 3,909 | \$ 6,696 | \$ 26,177 | 3,974 | \$ 6,847 | \$ 27,211 | 4,054 | \$ 7,053 | \$ 28,590 | 4,064 | \$ 7,264 | \$ 29,522 |
| (2) SUBSISTENCE - | | | | | | | | | | | | |
| COMMUTED-RATION | | | | | | | | | | | | |
| A. SUBSISTENCE ALLOWANCE.. | | 1,786 | 6,982 | | 1,837 | 7,300 | | 1,876 | 7,605 | | 1,920 | 7,803 |
| B. OPERATIONAL RATIONS.... | | | 371 | | | 386 | | | 394 | | | 398 |
| (3) SOCIAL SECURITY TAX - | | | | | | | | | | | | |
| EMPLOYER CONTRIBUTION..... | | 512 | 1,965 | | 524 | 2,006 | | 540 | 2,090 | | 556 | 2,153 |
| TOTAL ACADEMY CADETS..... | 3,909 | | \$ 35,495 | 3,974 | | \$ 36,903 | 4,054 | | \$ 38,679 | 4,064 | | \$ 39,876 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| | Amount |
|---|--------------|
| Subsistence of Enlisted Personnel | |
| Fy 1997 Direct Program | \$ 1,045,188 |
| Increases: | |
| a. Reflects annualization of the FY97 3.0 percent pay raise and the FY98 2.8 percent pay raise effective for BAS (BAS is one percent and Partial BAS is 1.8 percent). | 23,677 |
| b. Increased number of payments for BAS. | 899 |
| c. Inflation increase of 2.1 percent for SIK. | 4,841 |
| Total Increases | + 29,417 |
| Decreases: | |
| a. Reduction in Tray Pacs and MRE's. | - 4,824 |
| b.Reduction in SIK for contingency operations. | -33,700 |
| Total Decreases | -38,524 |
| Fy 1998 Direct Program | \$1,036,081 |
| Increases: | |
| a. Reflects annualization of the FY98 2.8 percent pay raise and the FY99 3.0 percent pay raise effective for BAS (BAS is one percent and Partial BAS is two percent). | 17,709 |
| b. Inflation increase of 2.1 percent for SIK. | 5,301 |
| c. Increase in Operational Rations. | 10,332 |
| Total Increase | +33,342 |
| FY 1999 Direct Program | \$1,069,423 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 1,129,307
\$ 1,094,504
\$ 1,102,186
\$ 768,609

Project: Subsistence of Enlisted Personnel

Part I - Purpose and Scope

The funds requested for this activity are for the payment of authorized basic allowances for subsistence to enlisted personnel and for the cost of procuring food and beverage supplies for issue as rations to enlisted personnel on extended active duty, including emergency and operational rations; also includes the payment of meals furnished under contract (when approved by competent authority) at commercial facilities where the payment of commuted rations would create an individual hardship and/or the costs for establishment of a Government mess facility are prohibitive or the contract feeding of enlisted personnel is determined to be more economical or advantageous.

Part II - Justification of Funds Requested

This budget activity includes the Basic Allowance for Subsistence paid to enlisted personnel under the following conditions: (1) When authorized to mess separately, (2) While on authorized leave, (3) When rations in kind are not available, and (4) for the augmentation of commuted ration allowance for meals taken separately.

Effective 1 October 1974 under U.S.C. §1009 Title 37, U.S.C. Sec 4 P.L. 93-419 Basic Allowance for Subsistence (BAS) rates were tied to the same percentage increase as pay increases for military personnel. Historically, Congress has passed legislation to align this allowance with food cost as well using this allowance to adjust compensation to the soldier regardless of its relationship to food costs.

Starting in FY98, BAS Reform initiates a program for Partial BAS payments. The Partial BAS proposal is a cost neutral effort to provide all eligible enlisted personnel with a BAS payment. The proposal limits the growth of BAS to one percent per year in order to allow the Department to make a partial BAS payment with the remaining 1.8 percent pay raise resources to members

receiving subsistence-in-kind. Projected increases in cost growth will allow the U.S. Department of Agriculture (USDA) food plans to catch-up with the BAS payment in approximately six years at which time all enlisted personnel will be entitled to a BAS payment.

Subsistence-In-Kind (SIK) transferred from the Operations and Maintenance Appropriation to the Military Personnel, Army appropriation in FY97. It funds subsistence to feed enlisted soldiers their daily ration in accordance with Title 10 U.S. Code. This activity also funds operational rations for field subsistence. Operational rations include Meals-Ready-to-Eat (MRE's), Tray Rations, Unitized Group Rations, Rations Cold Weather, and Arctic Rations.

SIK dining facility funding requirements are dependent on the number of enlisted personnel not on BAS actually using the dining facilities (participation rate), and the cost of subsistence used in preparing meals (food cost). Congress has mandated the use of Prime Vendor delivery of subsistence to be fully implemented by the end of FY97. Under Prime Vendor, subsistence prices may increase and be vulnerable to market place price fluctuations. The anticipated additional costs of Prime Vendor have not been included in the dining facility (Basic Daily Food Allowance) rates. The cost of rations used for field subsistence is determined by the number of active duty personnel and the type of ration used, OPTEMPO miles, and unique training scenarios.

From FY97 to FY98 Subsistence costs decrease by \$9.1M. This cost change is composed of a reduction of \$33.7M for Contingency Operations and \$4.8M for Subsistence-in-Kind. Cost increases are attributed to \$11.0M for pay raise calculated at one percent, Partial BAS costs calculated at \$12.7M, and the number of BAS payment increase by \$.9M. Inflation costs for SIK are +\$4.8M.

From FY98 to FY99 Subsistence costs increase \$33.3M. For BAS this reflects the pay raise at one percent costing \$7.3M and the increase to Partial BAS payments costing \$10.4M which includes the remainder of the pay raise. The cost increase of inflation at 2.1 percent for Subsistence-in-Kind is \$5.3. The increase in the number of Unitized Group Rations and Meals-Ready-To-Eat costs \$10.3.

ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | | | | | |
|---|----------------|-------------|------------------|---------|------------------|------------|------------------|-------------|------------|---------|-------------|------------|
| | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE | | | | |
| A. BASIC ALLOWANCE FOR SUBSISTENCE | | | | | | | | | | | | |
| 1. WHEN AUTH TO MESS SEP.... | 238,537 | \$ 2,601.26 | \$ 620,497 | 225,991 | \$ 2,667.08 | \$ 602,736 | 225,708 | \$ 2,705.51 | \$ 610,655 | 225,384 | \$ 2,731.06 | \$ 615,537 |
| 2. LEAVE RATION | 33,436 | \$ 2,601.26 | 86,976 | 31,360 | \$ 2,667.08 | 83,640 | 31,689 | \$ 2,705.51 | 85,735 | 31,644 | \$ 2,731.06 | 86,422 |
| 3. WHEN RATIONS IN KIND NOT AVAILABLE... | 20,674 | \$ 2,932.48 | 60,626 | 24,716 | \$ 3,007.42 | 74,331 | 24,975 | \$ 3,051.34 | 76,207 | 24,939 | \$ 3,080.54 | 76,826 |
| 4. AUGMENTATION OF COMMUTED RATION ALLOW FOR MEALS TAKEN SEP... | 2,640 | \$ 193.06 | 510 | 2,554 | \$ 198.91 | 508 | 2,488 | \$ 203.48 | 506 | 2,482 | \$ 207.13 | 514 |
| 5. PARTIAL BAS. | 0 | \$ 0.00 | 0 | 0 | \$ 0.00 | 0 | 128,600 | \$ 98.52 | 12,670 | 128,415 | \$ 179.76 | 23,084 |
| TOTAL ENLISTED BASIC ALLOWANCE FOR SUBSISTENCE... | 292,647 | | \$ 768,609 | 282,067 | | \$ 761,215 | 282,372 | | \$ 785,773 | 281,967 | | \$ 802,383 |

MPA FINANCIAL MANAGEMENT SYSTEM
SUBSISTENCE IN KIND
(AMOUNTS IN THOUSANDS OF DOLLARS)

B. SUBSISTENCE-IN-KIND

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|-------------------|----------------|------------------|-------------------|----------------|------------------|-------------------|----------------|------------------|-------------------|----------------|------------------|
| | Average Number | Annual Rate | Dollar Amount | Average Number | Annual Rate | Dollar Amount | Average Number | Annual Rate | Dollar Amount | Average Number | Annual Rate | Dollar Amount |
| 1. Subsistence in Messes | | | | | | | | | | | | |
| CONUS | | | | | | | | | | | | |
| Army | 0 | \$ 0.00 | \$ 0 | 47,673 | \$ 2,142.55 | \$ 102,142 | 50,051 | \$ 2,186.35 | \$ 109,429 | 49,744 | \$ 2,233.80 | \$ 111,118 |
| Other | 0 | \$ 0.00 | 0 | 1,202 | \$ 2,142.55 | 2,575 | 1,202 | \$ 2,186.35 | 2,628 | 1,202 | \$ 2,233.80 | 2,685 |
| OVERSEAS | | | | | | | | | | | | |
| Army | 0 | \$ 0.00 | 0 | 19,538 | \$ 2,357.90 | 46,069 | 20,514 | \$ 2,409.00 | 49,418 | 20,388 | \$ 2,460.10 | 50,157 |
| Other | 0 | \$ 0.00 | 0 | 132 | \$ 2,357.90 | 311 | 132 | \$ 2,409.00 | 318 | 132 | \$ 2,460.10 | 325 |
| Tot Reim | | | 0 | | | 56,998 | | | 58,423 | | | 59,884 |
| Subtotal | 0 | | \$ 0 | 68,545 | | \$ 208,095 | 71,899 | | \$ 220,216 | 71,466 | | \$ 224,169 |

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|------------------------|----------------|-----------|------------------|------------------|-----------|------------------|------------------|-----------|------------------|------------------|-----------|------------------|
| | Number | Unit Cost | Dollar Amount | Number | Unit Cost | Dollar Amount | Number | Unit Cost | Dollar Amount | Number | Unit Cost | Dollar Amount |
| 2. Operational Rations | | | | | | | | | | | | |
| Meal-Ready-to-Eat | 0 | 0.00 | \$ 0 | 1,288,650 | 76.76 | \$ 98,917 | 685,555 | 78.37 | \$ 53,727 | 854,100 | 80.02 | \$ 68,345 |
| Tray Packs | 0 | 0.00 | 0 | 5,200 | 1,955.52 | 10,169 | 2,600 | 1,996.59 | 5,191 | 0 | 2,038.52 | 0 |
| Group Rat'n-Unit | 0 | 0.00 | 0 | 6,272 | 1,680.00 | 10,537 | 9,392 | 1,715.28 | 16,110 | 11,807 | 1,751.30 | 20,678 |
| Other | | | 0 | | | 3,001 | | | 3,064 | | | 3,128 |
| Subtotal | | | \$ 0 | | | \$ 122,624 | | | \$ 78,092 | | | \$ 92,151 |

MRE's - Package of 12, Tray packs - Pallet of 432 Meals; Unitized Group Rations = Pallet of 400 meals

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 Dollar Amount | ESTIMATE FY 1997 Dollar Amount | ESTIMATE FY 1998 Dollar Amount | ESTIMATE FY 1999 Dollar Amount |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 3. Augmentation Rations / Other Programs | | | | |
| Augment Rations / Other Pgms | \$0 | \$10,252 | \$10,423 | \$10,604 |
| Includes supplemental rations, special exercises/operations, contract messes, box lunch meals, KATUSA Rations/Kits, New Food Items, Allied Nations support, and special issue. | | | | |
| Total SIK | \$0 | \$340,971 | \$308,731 | \$326,924 |

| | ACTUAL FY 1996 Total Amount (with payraise) | ESTIMATE FY 1997 Total Amount (with payraise) | ESTIMATE FY 1998 Total Amount (with payraise) | ESTIMATE FY 1999 Total Amount (with payraise) |
|--------------------------|---|---|---|---|
| Totals: BAS/SIK | | | | |
| Total Obligations | \$ 768,609 | \$ 1,102,186 | \$ 1,094,504 | \$ 1,129,307 |
| Total Reimbursable | 0 | 56,998 | 58,423 | 59,884 |
| Total Direct Obligations | \$ 768,609 | \$ 1,045,188 | \$ 1,036,081 | \$ 1,069,423 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| Permanent Change of Station Travel | | Amount |
|---|---------|--------------|
| FY 1997 Direct Program | | \$ 1,056,245 |
| Increases: | | |
| a. Pay Raise | 2,704 | |
| BAQ Increase (DLA) | 773 | |
| Sub-total | 3,477 | |
| b. Defense Working Capital Funds | | |
| AMC Passenger | 3,412 | |
| AMC HHG | 1,543 | |
| MSC HHG/POV | 538 | |
| Port Handling HHG/POV | 1,625 | |
| Sub-total | 7,118 | |
| c. Inflation | | |
| Land | 6,374 | |
| ITGBL | 4,728 | |
| Trailer | 68 | |
| Commercial Air | 196 | |
| Non Temporary Storage | 530 | |
| Sub-total | 11,896 | |
| d. Entitlements | | |
| Increased DLA from 2 to 2 1/2 Months | 6,036 | |
| POV Storage (new entitlement) | 3,600 | |
| Reimbursement for POV Pick-up (new entitlement) | 1,300 | |
| Sub-total | 10,936 | |
| Total Increases: | | \$ 33,427 |
| Decreases: | | |
| Rotational Moves | - 4,191 | |
| Operational Moves | - 3,982 | |
| Training Moves | - 4,276 | |
| Accession Moves | - 7,299 | |
| Separation Moves | - 3,102 | |
| Unit Moves | - 1,977 | |
| Total Decreases: | | \$-24,827 |
| FY 1998 Direct Program | | \$ 1,064,845 |

Section 4
Schedule of Increases and Decreases
(dollars in thousands)

Permanent Change of Station Travel

FY 1998 Direct Program

Amount
\$ 1,064,845

Increases:

| | | |
|----------------------------------|--------|--------|
| a. Pay Raise | 2,946 | |
| Sub-total | | 2,946 |
| b. Defense Working Capital Funds | | |
| AMC Passenger | 3,038 | |
| AMC HHG | 1,216 | |
| MSC HHG/POV | 16,284 | |
| Sub-total | | 20,538 |
| c. Inflation | | |
| Land | 5,401 | |
| ITGBL | 4,012 | |
| Trailer | 69 | |
| Commercial Air | 199 | |
| Non Temporary Storage | 436 | |
| Sub-total | | 10,117 |
| d. Increased Moves | | |
| Separation Moves | 1,287 | |
| Sub-total | | 1,287 |

Total Increases:

\$ 34,887

Decreases:

| | | |
|----------------------------------|---------|---------|
| a. Decreased Moves | | |
| Operational Moves | - 6,436 | |
| Unit Moves | - 2,908 | |
| Accession Moves | - 1,532 | |
| Subtotal | | -10,876 |
| b. Defense Working Capital Funds | | |
| Subtotal | - 247 | - 248 |

Total Decreases:

\$- 11,123

FY 1999 Direct Program

\$1,088,609

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--|----------------|------------------|------------------|------------------|
| | NUMBER | NUMBER | NUMBER | NUMBER |
| | AMOUNT | AMOUNT | AMOUNT | AMOUNT |
| ACCESSIONS TRAVEL..... | 81,225 | 99,828 | 95,372 | 94,544 |
| TRAINING TRAVEL..... | 9,773 | 8,715 | 8,070 | 8,070 |
| OPERATIONAL TRAVEL BETWEEN DUTY STATIONS.. | 24,078 | 23,027 | 22,368 | 21,668 |
| ROTATIONAL TRAVEL TO AND FROM OVERSEAS... | 78,799 | 549,101 | 72,775 | 72,771 |
| SEPARATION TRAVEL..... | 95,507 | 170,616 | 92,286 | 91,501 |
| TRAVEL OF ORGANIZED UNITS..... | 7,148 | 2,009 | 2,145 | 1,646 |
| NON-TEMPORARY STORAGE..... | | 25,675 | 8,139 | 6,537 |
| TEMPORARY LODGING EXPENSE..... | | 22,610 | 25,236 | 25,546 |
| | | 15,571 | 13,347 | 13,088 |
| TOTAL OBLIGATIONS..... | 296,530 | 1,074,352 | 1,072,845 | 1,096,609 |
| LESS: REIMBURSABLES..... | | \$ 8,000 | \$ 8,000 | \$ 8,000 |
| TOTAL DIRECT..... | 296,530 | 1,066,352 | 1,064,845 | 1,088,609 |

PCS - SUMMARY OF REQUIREMENTS BY TYPES OF COST
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--------------------------------|----------------|------------------|------------------|------------------|
| | NUMBER | NUMBER | NUMBER | NUMBER |
| | AMOUNT | AMOUNT | AMOUNT | AMOUNT |
| TRAVEL OF MILITARY MEMBER | | | | |
| MILEAGE AND PER DIEM..... | 296,530 | \$ 150,713 | \$ 151,397 | \$ 150,090 |
| MAC..... | 117,073 | 57,047 | 61,161 | 63,362 |
| COMMERCIAL AIR..... | 13,008 | 6,775 | 6,940 | 7,092 |
| TRAVEL OF DEPENDENTS | | | | |
| MILEAGE..... | 127,173 | 70,773 | 66,902 | 65,525 |
| MAC..... | 49,213 | 23,981 | 24,151 | 25,085 |
| COMMERCIAL AIR..... | 4,587 | 2,389 | 2,327 | 2,397 |
| TRANSPORTATION OF HHG | | | | |
| LAND SHIPMENT..... | 82,608 | 297,603 | 281,264 | 279,691 |
| ITGBL SHIPMENT..... | 57,853 | 206,078 | 198,678 | 201,325 |
| M TONS - MSC..... | 54,349 | 8,306 | 8,853 | 8,807 |
| S TONS - MAC..... | 15,966 | 22,272 | 22,445 | 23,214 |
| DISLOCATION ALLOWANCE..... | 81,187 | 80,412 | 90,989 | 96,578 |
| TRAILER ALLOWANCE..... | 1,196 | 3,166 | 3,273 | 3,252 |
| TRANSPORTATION OF POVS..... | 49,066 | 76,142 | 81,108 | 80,907 |
| PORT HANDLING CHARGES..... | | 30,514 | 27,283 | 28,509 |
| NON-TEMPORARY STORAGE..... | | 22,610 | 25,440 | 25,236 |
| TEMPORARY LODGING EXPENSE..... | | 15,571 | 10,472 | 13,347 |
| TOTAL OBLIGATIONS..... | | \$ 1,074,352 | \$ 1,064,245 | \$ 1,096,609 |
| LESS: REIMBURSABLES..... | | \$ 8,000 | \$ 8,000 | \$ 8,000 |
| TOTAL DIRECT..... | | \$ 1,066,352 | \$ 1,056,245 | \$ 1,088,609 |

Section 4
Permanent Change of Station Travel

Purpose and Scope of Work

The funds requested are for expenses incident to Permanent Change of Station (PCS) travel of military personnel. Entitlements for PCS include:

- Mileage and monetary allowances in lieu of transportation for members and dependents
- Transportation by common carrier to include Air Mobility Command (AMC) for members and dependents.
- Transportation of Household Goods (HHG) and baggage by common carrier, AMC, and Military Sealift Command (MSC). Includes cost of packing, crating, handling and temporary storage.
- Transportation and storage in lieu of transportation of Privately Owned Vehicles (POVs).
- Port handling charges for HHG, baggage, and POVs.
- Transportation of trailers.
- Non-temporary storage of HHG.
- Dislocation Allowances.
- Temporary Lodging Expenses.

The number of moves is driven by the commitment to station 25 percent of the force overseas and by mandated end strength. All personnel overseas serve prescribed lengths as directed by Senate Report 99-176 DOD Appropriation Bill 1986 and House of Representatives Report 99-81 Authorization Bill which directs 36/24 month tour lengths unless designated a hardship area by service secretary. In FY98, 89,000 of the 121,300 soldiers stationed overseas will serve in a 36/24 month tour length area, 4,706 soldiers in a 24/12 month tour length and the remaining 27,594 soldiers on 12 month dependent restricted tour. Currently average time on station for soldiers serving in overseas locations, exceeds prescribed tour lengths by three months. The FY98 Accessions and Separation move program supports a 495,000 end strength.

--The overseas rotational moves account for 25 percent of the Army's total move program and 53 percent of total PCS costs.

--Accessions and Separations moves, comprise 64 percent of total moves and 29 percent of the dollar requirement.

--The remaining move/dollar requirements consist of Operational/Training and Unit moves which equal 11 percent of total moves and 18 percent of dollar requirements. These moves are essential to maintain requisite levels of training, force readiness, quality of life, unit integrity and support Base Realignment and Closure actions.

In compliance with congressional desire to reduce the frequency of family moves and conserve PCS funds:

--The FY97 Column reflects a 11.5 percent reduction in the number of PCS moves (excluding Accessions/Separations required to maintain endstrength) and a cost reduction of \$83.0M, exceeding the \$20.6M funding reduction directed by Congress in the 1997 DOD Appropriations bill.

-- FY98 PCS moves (excluding Accessions/Separations) were reduced from FY97 levels by 2 percent generating a \$10.6M cost savings.

The General Accounting Office examined the Army's system of rotating forces overseas. Results in brief from the November 1993 report to Congress stated there were no strong arguments to depart from the current system.

The FY98/99 budget estimate includes projected inflation, payraise (impacts Dislocation allowance, and Defense Working Capital Funds (DWCF) cost growth for applicable modes of PCS travel and transportation:

--Inflation factors of 2.1% for FY98/99 generated increased costs of \$10.8M/\$11.9M respectively.

-- Increase in Dislocation Allowance (DLA) cost requirements because of authorized pay raises of 2.8 percent for FY98 and 3.0 percent for FY99. In addition, the Basic Allowance Quarters (BAQ) entitlement was increased by 1.6 percent. This impacts PCS requirements because DLA payments are based on authorized BAQ rates. Combined, these increases result in a cost growth of a \$3.4M and \$2.9M respectively.

-- Rate increases for DWCF vary by entitlement in each fiscal year, details are provided in the schedule of increases and decreases. Total increase for DWCF total \$7.0M in FY98 and \$20.5M in FY99.

The 1997 DOD Appropriations Bill established a new PCS entitlement and expanded upon existing entitlements increasing PCS requirements:

--DLA increase from two months BAQ to two and half months BAQ adds \$18.3M to FY97 costs and \$6.0M to FY98.

--Storage of Privately Owned Vehicles (POVs) in lieu of transportation adds \$3.6M to PCS requirements. These costs are currently included in Non-Temporary Storage (NTS).

--Reimbursement for round trip mileage incurred during drop-off/pick-up of POVs at port locations results in increased PCS requirements of \$1.3M.

The FY98 PCS program supports changes to force structure and policy changes.

--Increase to Korea end strength increases requirements by \$10.0M.

--Force Structure changes in Panama and CONUS increases requirements by \$1.3M

--Conversion of tour lengths in Saudi Arabia and Kuwait has a \$2.1M impact on the rotational move program.

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 134,423 |
| ESTIMATE FY 1998 | \$ 132,380 |
| ESTIMATE FY 1997 | \$ 136,091 |
| ACTUAL FY 1996 | \$ 110,111 |

Project: Accession Travel

Part I - Purpose and Scope

Officers. Covers PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, ROTC, and Army Reserve and National Guard officers called or recalled to extended duty from home or place where orders were received to first permanent duty station or training school of twenty weeks or more duration and (2) new permanent duty station or training school. Also included are officers appointed from enlisted status upon graduation from OCS. This category also includes travel to/from schools less than 20 weeks duration when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Enlisted. Covers PCS movements of (1) enlistees and prior service personnel from recruiting station or place of enlistment to their first permanent duty station or training school of twenty weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of twenty weeks or more duration. Also includes travel to/from schools less than 20 weeks when they precede completion of travel to the new permanent duty station or training school in excess of 20 weeks.

Cadets. Funds PCS movements of (1) individuals selected as academy cadets upon entry into the academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

Part II - Justification of Funds Requested

Accession estimates are based upon the officer, enlisted and cadet gains necessary to meet the Army's planned manpower levels through FY99.

Changes to this program can only be accommodated through adjustments in officer, enlisted or cadet strengths. Changes in move numbers between fiscal years reflect adjustments required to meet the Army's projected end strengths.

Inflation, DCWF rates, and pay raise all impact on the cost per move.

Detailed cost computations are provided by the following table:

PCS ACCESSION TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICER | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|----------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| MEMBER TRAVEL..... | 6,081 | \$ 726.20 | \$ 4,416 | 6,352 | \$ 738.82 | \$ 4,693 | 6,196 | \$ 744.51 | \$ 4,613 | 6,220 | \$ 750.64 | \$ 4,669 |
| DEPENDENT TRAVEL..... | 1,824 | 645.29 | 1,177 | 1,906 | 656.87 | 1,252 | 1,859 | 671.87 | 1,249 | 1,866 | 688.10 | 1,284 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 4,257 | 2,886.30 | 12,287 | 4,446 | 2,946.69 | 13,101 | 4,337 | 3,008.53 | 13,048 | 4,354 | 3,071.89 | 13,375 |
| - OVERSEAS (MAC & MSC)... | 2,150 | 410.23 | 882 | 2,247 | 434.36 | 976 | 2,192 | 449.82 | 986 | 2,200 | 487.73 | 1,073 |
| DISLOCATION ALLOWANCE..... | 1,952 | 1,094.76 | 2,137 | 2,039 | 1,376.63 | 2,807 | 1,989 | 1,485.93 | 2,956 | 1,997 | 1,527.54 | 3,050 |
| TRAILER ALLOWANCE..... | 24 | 2,646.19 | 64 | 25 | 2,701.76 | 68 | 25 | 2,758.50 | 69 | 25 | 2,816.42 | 70 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND... | 876 | 1,551.82 | 1,359 | 915 | 1,736.49 | 1,589 | 892 | 1,746.91 | 1,558 | 896 | 2,031.66 | 1,820 |
| - PORT HANDLING (MTMC)... | 876 | 371.51 | 325 | 915 | 349.22 | 320 | 892 | 369.12 | 329 | 896 | 364.69 | 327 |
| PORT HANDLING (HHG)..... | 10,944 | 45.91 | 502 | 11,436 | 43.15 | 493 | 11,154 | 45.61 | 509 | 11,196 | 45.06 | 505 |
| SUBTOTAL..... | | | \$ 23,149 | | | \$ 25,299 | | | \$ 25,317 | | | \$ 26,173 |
| CADETS..... | 1,193 | \$ 375.00 | \$ 447 | 1,195 | \$ 375.00 | \$ 448 | 1,220 | \$ 375.00 | \$ 458 | 1,220 | \$ 375.00 | \$ 458 |

PCS ACCESSION TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|-------------------------------|----------------|-----------|------------|------------------|-----------|------------|------------------|-----------|------------|------------------|-----------|------------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL..... | 73,951 | \$ 691.54 | \$ 51,140 | 92,281 | \$ 704.42 | \$ 65,005 | 87,956 | \$ 711.22 | \$ 62,556 | 87,104 | \$ 718.28 | \$ 62,565 |
| DEPENDENT TRAVEL..... | 21,446 | 281.73 | 6,042 | 26,761 | 282.65 | 7,564 | 25,507 | 283.88 | 7,241 | 25,260 | 285.19 | 7,204 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 11,012 | 1,894.93 | 20,867 | 13,740 | 1,934.79 | 26,584 | 13,097 | 1,975.34 | 25,871 | 12,970 | 2,016.81 | 26,158 |
| - OVERSEAS (NAC & MSC)... | 5,790 | 390.33 | 2,260 | 7,225 | 403.32 | 2,914 | 6,887 | 422.68 | 2,911 | 6,820 | 445.75 | 3,040 |
| DISLOCATION ALLOWANCE..... | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0 | 0.00 | 0 |
| TRAILER ALLOWANCE..... | 370 | 2,646.19 | 979 | 461 | 2,701.76 | 1,246 | 440 | 2,758.50 | 1,214 | 436 | 2,816.42 | 1,228 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND... | 2,588 | 1,551.82 | 4,016 | 3,230 | 1,736.49 | 5,609 | 3,079 | 1,746.91 | 5,379 | 3,049 | 2,031.66 | 6,195 |
| - PORT HANDLING (MTMC)... | 2,588 | 371.51 | 961 | 3,230 | 349.22 | 1,128 | 3,079 | 369.12 | 1,137 | 3,049 | 364.69 | 1,112 |
| PORT HANDLING (HHG)..... | 7,273 | 34.43 | 250 | 9,076 | 32.36 | 294 | 8,651 | 34.21 | 296 | 8,567 | 33.80 | 290 |
| SUBTOTAL..... | | | \$ 86,515 | | | \$ 110,344 | | | \$ 106,605 | | | \$ 107,792 |
| TOTAL PCS ACCESSION TRAVEL... | | | \$ 110,111 | | | \$ 136,091 | | | \$ 132,380 | | | \$ 134,423 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 46,508
\$ 45,529
\$ 47,392
\$ 50,067

Project: Training Travel

Part I - Purpose and Scope

Officers. Funds CONUS PCS movements for officers and warrant officers 1) from current permanent duty station to formal service or civilian schools, including technical schools, pilot training, factory training, and other approved courses of instruction of 20 weeks duration or more, and (2) PCS moves upon completion of school for officers and warrants to next CONUS permanent duty stations, and those eliminated from school prior to completion next permanent CONUS duty station. Excludes academy graduates, OCS graduates, ROTC graduates, and others (chargeable as Accession travel) and those officers and warrant officers who are moving into and out of a training seat from/to and overseas location (chargeable as Rotational travel).

Enlisted. Funds PCS movements of (1) enlisted personnel from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, aircraft maintenance training, factory training, and other approved courses of instruction, of 20 weeks duration or more; (2) enlisted school graduates and those eliminated from school to their next CONUS permanent duty station; and (3) enlisted personnel ordered to training leading to a commission, if such training period is of 20 weeks duration or more. Excludes those soldiers moving in or out of a training seat to or from an overseas location (chargeable as a Rotational travel).

Part II - Justification of Funds Requested

Estimates for training travel are based upon requirements for officer and enlisted personnel to attend military, other federal government, and civilian training programs.

Training is required to maintain the requisite skill levels/educational levels required by an Army that is capable of responding to strategic obligations in the evolving international environment. Training moves support the requirement to shape the force for tomorrow and the Army's duty to prepare soldiers to perform their required mission. Through training moves the

Army is provided with soldiers trained in aviation, medical specialties, linguistics, force modernization, leadership skills, and Special Forces operations.

Training move requirements are projected to remain relatively constant.

The average estimated cost per training move for officer and enlisted increases in FY98/FY99 due to effects of inflation, pay raise and expansion of entitlements.

Detailed cost computations are provided by the following table:

PCS TRAINING TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICER | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|----------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM..... | 6,850 | \$ 463.21 | \$ 3,173 | 6,015 | \$ 468.33 | \$ 2,817 | 5,770 | \$ 468.28 | \$ 2,702 | 5,770 | \$ 468.28 | \$ 2,702 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 5,138 | 412.81 | 2,121 | 4,511 | 412.77 | 1,862 | 4,328 | 412.89 | 1,787 | 4,328 | 412.89 | 1,787 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 5,823 | 4,923.24 | 28,668 | 5,113 | 5,026.60 | 25,701 | 4,905 | 5,132.31 | 25,174 | 4,905 | 5,239.96 | 25,702 |
| DISLOCATION ALLOWANCE..... | 5,138 | 1,155.69 | 5,938 | 4,511 | 1,453.24 | 6,556 | 4,328 | 1,568.63 | 6,789 | 4,328 | 1,612.55 | 6,979 |
| TRAILER ALLOWANCE..... | 7 | 2,646.19 | 19 | 6 | 2,701.76 | 16 | 6 | 2,758.50 | 17 | 6 | 2,816.42 | 17 |
| SUBTOTAL..... | | | \$ 39,919 | | | \$ 36,952 | | | \$ 36,469 | | | \$ 37,187 |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM..... | 2,800 | \$ 463.21 | \$ 1,297 | 2,700 | \$ 468.15 | \$ 1,264 | 2,300 | \$ 468.26 | \$ 1,077 | 2,300 | \$ 468.26 | \$ 1,077 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 1,820 | 412.64 | 751 | 1,755 | 413.11 | 725 | 1,495 | 412.71 | 617 | 1,495 | 412.71 | 617 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 2,100 | 3,050.95 | 6,407 | 2,025 | 3,115.06 | 6,308 | 1,725 | 3,180.29 | 5,486 | 1,725 | 3,247.54 | 5,602 |
| DISLOCATION ALLOWANCE..... | 1,736 | 961.32 | 1,669 | 1,755 | 1,208.83 | 2,121 | 1,426 | 1,304.81 | 1,861 | 1,495 | 1,341.35 | 2,005 |
| TRAILER ALLOWANCE..... | 9 | 2,646.19 | 24 | 8 | 2,701.76 | 22 | 7 | 2,758.50 | 19 | 7 | 2,816.42 | 20 |
| SUBTOTAL..... | | | \$ 10,148 | | | \$ 10,440 | | | \$ 9,060 | | | \$ 9,321 |
| TOTAL PCS | | | | | | | | | | | | |
| TRAINING TRAVEL..... | | | \$ 50,067 | | | \$ 47,392 | | | \$ 45,529 | | | \$ 46,508 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 129,668
\$ 131,393
\$ 131,535
\$ 130,601

Project: Operational Travel

Part I - Purpose and Scope

Officers. Covers PCS movements of (1) officers and warrant officers to and from permanent duty stations located within the United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured provided no transoceanic travel is involved.

Enlisted. Covers PCS movements of (1) enlisted personnel to and from permanent duty stations located within the United States; (2) enlisted personnel to and from permanent duty stations within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured provided no transoceanic travel is involved.

Part II - Justification of Funds Requested

Operational moves are critical to the Army's ability to maintain readiness throughout the force. They are necessary to maintain units at required personnel readiness levels; support activations and inactivations; fill joint duty positions mandated under the Goldwater-Nichols DOD Reorganization Act of 1986; correct imbalances of skill and grade; support humanitarian, compassionate, and joint domicile needs; assign personnel to key positions in response to unprogrammed/unanticipated requirements; support Base Realignment and Closure actions and to fill high priority units.

The Army has implemented various management efficiencies and as a result reduced FY98/99 operational move requirements. Current CONUS time on station for career enlisted soldiers exceeds the DOD 36 month goal.

Inflation, payraise and increased entitlements all impact on the cost per move.

Detailed cost computations are provided by the following table:

PCS OPERATIONAL TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICER | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|----------------------------|----------------|-----------|------------|------------------|-----------|------------|------------------|-----------|------------|------------------|-----------|------------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM.... | 6,455 | \$ 558.95 | \$ 3,608 | 6,027 | \$ 564.96 | \$ 3,405 | 5,868 | \$ 565.10 | \$ 3,316 | 5,668 | \$ 565.10 | \$ 3,203 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 4,970 | 463.18 | 2,302 | 4,641 | 463.26 | 2,150 | 4,518 | 463.26 | 2,093 | 4,364 | 463.11 | 2,021 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 6,261 | 6,270.88 | 39,262 | 5,846 | 6,402.50 | 37,429 | 5,692 | 6,537.07 | 37,209 | 5,498 | 6,674.25 | 36,695 |
| DISLOCATION ALLOWANCE..... | 4,970 | 1,308.03 | 6,501 | 4,641 | 1,644.80 | 7,634 | 4,518 | 1,775.40 | 8,021 | 4,364 | 1,825.11 | 7,965 |
| TRAILER ALLOWANCE..... | 25 | 2,646.19 | 66 | 24 | 2,701.76 | 65 | 23 | 2,758.50 | 63 | 22 | 2,816.42 | 62 |
| SUBTOTAL..... | | | \$ 51,739 | | | \$ 50,683 | | | \$ 50,702 | | | \$ 49,946 |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM.... | 17,500 | \$ 503.49 | \$ 8,811 | 17,000 | \$ 509.06 | \$ 8,654 | 16,500 | \$ 509.03 | \$ 8,399 | 16,000 | \$ 509.06 | \$ 8,145 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 12,950 | 412.90 | 5,347 | 12,580 | 412.88 | 5,194 | 12,210 | 412.86 | 5,041 | 11,840 | 412.84 | 4,888 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 15,050 | 3,451.23 | 51,941 | 14,620 | 3,523.73 | 51,517 | 14,190 | 3,597.74 | 51,052 | 13,760 | 3,673.26 | 50,544 |
| DISLOCATION ALLOWANCE..... | 12,950 | 950.81 | 12,313 | 12,580 | 1,195.62 | 15,041 | 12,210 | 1,290.55 | 15,758 | 11,840 | 1,326.69 | 15,708 |
| TRAILER ALLOWANCE..... | 170 | 2,646.19 | 450 | 165 | 2,701.76 | 446 | 160 | 2,758.50 | 441 | 155 | 2,816.42 | 437 |
| SUBTOTAL..... | | | \$ 78,862 | | | \$ 80,852 | | | \$ 80,691 | | | \$ 79,722 |
| TOTAL PCS | | | | | | | | | | | | |
| OPERATIONAL TRAVEL..... | | | \$ 130,601 | | | \$ 131,535 | | | \$ 131,393 | | | \$ 129,668 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 569,861
\$ 548,845
\$ 537,420
\$ 549,101

Project: Rotational Travel

Part I - Purpose and Scope

Officers. Covers PCS movements of officers and warrant officers (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations in one overseas area to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowance, and privately owned vehicles of officers and warrant officers who are interned, missing, or captured, but only when transoceanic travel is involved.

Enlisted. Covers PCS movements of enlisted personnel (1) from permanent duty stations in CONUS to permanent duty stations overseas; (2) from permanent duty stations overseas to permanent duty stations in CONUS; (3) from permanent duty stations overseas to permanent duty stations in another overseas area, but only when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing, or captured, but only when transoceanic travel is involved.

Part II - Justification of Funds Requested

Rotational moves are driven by the commitment to station 25% of the force overseas in support of The National Military Strategy. The number of moves required is determined by overseas end strength and the average time actually served overseas less the number of overwater Accession, Separation, and Unit moves. Current time on station for soldiers serving in overseas locations, exceeds prescribed tour lengths by three months. While this increased average time on station due to stabilized European troop strength and management efficiencies reduces rotational move requirements, increased endstrength in Korea, tour length conversions in Saudi Arabia and Kuwait

and permanent positions in support of Traditional CINC Activities generate additional rotational moves requirements.

The Army has 121,300 soldiers stationed overseas which represents 25 percent of total Army end strength. Of these, soldiers, 89,000 are serving in a 36/24 month tour area, 4,706 are in a 24/12 month tour length location and 27,594 are servings in locations designated as hardship/dependent restricted areas with a 12 month tour length.

The Army's system of rotating soldiers to and from Europe (65,000 end strength) was examined by the General Accounting Office (GAO). In their 1993 report to Congress GAO stated there were no strong arguments to depart from the Army's current system.

The average estimated cost per rotational moves for officers and enlisted increases in FY98/99 due to the effects of inflation, pay raise, DWCF rates increases, and expanded entitlements.

PCS ROTATIONAL TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|----------------|----------|-----------|------------------|----------|------------|------------------|----------|------------|------------------|----------|------------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| OFFICER | | | | | | | | | | | | |
| MEMBER TRAVEL..... | 8,015 | 1,296.32 | \$ 10,390 | 7,825 | 1,325.50 | \$ 10,372 | 7,650 | 1,344.84 | \$ 10,288 | 7,646 | 1,365.16 | \$ 10,438 |
| DEPENDENT TRAVEL..... | 6,813 | 1,631.59 | 11,116 | 6,652 | 1,651.08 | 10,983 | 6,503 | 1,677.53 | 10,909 | 6,499 | 1,704.88 | 11,080 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 7,551 | 6,153.49 | 46,465 | 7,372 | 6,282.69 | 46,316 | 7,205 | 6,414.85 | 46,219 | 7,203 | 6,549.63 | 47,177 |
| - OVERSEAS..... | 20,430 | 410.62 | 8,389 | 19,946 | 434.72 | 8,671 | 19,500 | 450.00 | 8,775 | 19,490 | 489.33 | 9,537 |
| TRAILER ALLOWANCE..... | 63 | 2,650.79 | 167 | 61 | 2,704.92 | 165 | 60 | 2,750.00 | 165 | 60 | 2,816.67 | 169 |
| DISLOCATION ALLOWANCE... | 6,813 | 1,260.82 | 8,590 | 6,652 | 1,585.39 | 10,546 | 6,503 | 1,711.21 | 11,128 | 6,499 | 1,759.19 | 11,433 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND | 4,809 | 1,551.88 | 7,463 | 4,695 | 1,736.53 | 8,153 | 4,590 | 1,746.84 | 8,018 | 4,588 | 2,031.60 | 9,321 |
| - PORT HANDLING (WTMC) | 4,809 | 371.59 | 1,787 | 4,695 | 349.31 | 1,640 | 4,590 | 369.28 | 1,695 | 4,588 | 364.65 | 1,673 |
| PORT HANDLING (HHG)..... | 70,947 | 56.46 | 4,006 | 69,265 | 53.07 | 3,676 | 67,717 | 56.10 | 3,799 | 67,681 | 55.42 | 3,751 |
| SUBTOTAL..... | | | \$ 98,373 | | | \$ 100,522 | | | \$ 100,996 | | | \$ 104,579 |

PCS ROTATIONAL TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--------------------------|----------------|----------|------------|------------------|----------|------------|------------------|----------|------------|------------------|----------|------------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL..... | 70,538 | 1,094.86 | \$ 77,229 | 65,125 | 1,121.95 | \$ 73,067 | 65,125 | 1,141.39 | \$ 74,333 | 65,125 | 1,161.57 | \$ 75,647 |
| DEPENDENT TRAVEL..... | 43,028 | 1,348.17 | 58,009 | 39,727 | 1,359.63 | 54,014 | 39,727 | 1,375.08 | 54,628 | 39,727 | 1,391.22 | 55,269 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 55,894 | 3,370.67 | 188,400 | 51,606 | 3,441.44 | 177,599 | 51,606 | 3,513.72 | 181,329 | 51,606 | 3,587.51 | 185,137 |
| - OVERSEAS..... | 33,647 | 438.23 | 14,745 | 31,065 | 462.74 | 14,375 | 31,065 | 479.61 | 14,899 | 31,065 | 519.81 | 16,148 |
| TRAILER ALLOWANCE..... | 162 | 2,648.15 | 429 | 150 | 2,700.00 | 405 | 150 | 2,760.00 | 414 | 150 | 2,813.33 | 422 |
| DISLOCATION ALLOWANCE... | 43,028 | 893.02 | 38,425 | 39,727 | 1,122.96 | 44,612 | 39,727 | 1,212.12 | 48,154 | 39,727 | 1,246.05 | 49,502 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND | 35,270 | 1,551.83 | 54,733 | 32,563 | 1,736.51 | 56,546 | 32,563 | 1,746.92 | 56,885 | 32,563 | 2,031.66 | 66,157 |
| - PORT HANDLING (MTWC) | 35,270 | 371.51 | 13,103 | 32,563 | 349.23 | 11,372 | 32,563 | 369.13 | 12,020 | 32,563 | 364.68 | 11,875 |
| PORT HANDLING (HHG)..... | 123,083 | 45.94 | 5,655 | 113,638 | 43.19 | 4,908 | 113,638 | 45.64 | 5,187 | 113,638 | 45.10 | 5,125 |
| SUBTOTAL..... | | | \$ 450,728 | | | \$ 436,898 | | | \$ 447,849 | | | \$ 465,282 |
| TOTAL PCS | | | | | | | | | | | | |
| ROTATIONAL TRAVEL..... | | | \$ 549,101 | | | \$ 537,420 | | | \$ 548,845 | | | \$ 569,861 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 170,978 |
| ESTIMATE FY 1998 | \$ 167,976 |
| ESTIMATE FY 1997 | \$ 168,430 |
| ACTUAL FY 1996 | \$ 170,616 |

Project: Separation Travel

Part I - Purpose and Scope

Officers. Covers PCS movements of officers and warrant officers upon separation from the service from their last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law

Enlisted. Covers PCS movements of enlisted personnel upon separation from the service from last permanent duty station to their home of record, point of entry into service, or to their home of selection when authorized by law.

Cadets. Covers PCS movements of cadets eliminated from the academy to their home of record or point of entry into service.

Part II - Justification of Funds Requested

Separations are based on projected personnel losses. The overall separation rate increases due to cost growth in the Defense Capital Working Funds (DCWF) rates and inflation.

Detailed cost computations are provided in the following table:

PCS SEPARATION TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICER | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------|----------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| MEMBER TRAVEL..... | 7,992 | 585.84 | \$ 4,682 | 6,680 | 596.11 | \$ 3,982 | 6,196 | 601.03 | \$ 3,724 | 6,220 | 605.95 | \$ 3,769 |
| DEPENDENT TRAVEL..... | 6,394 | 328.43 | 2,100 | 5,344 | 331.59 | 1,772 | 4,957 | 336.29 | 1,667 | 4,976 | 340.84 | 1,696 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 4,355 | 4,651.89 | 20,259 | 3,641 | 4,749.52 | 17,293 | 3,377 | 4,849.57 | 16,377 | 3,390 | 4,951.33 | 16,785 |
| - OVERSEAS..... | 1,479 | 491.55 | 727 | 1,236 | 516.18 | 638 | 1,146 | 536.65 | 615 | 1,151 | 578.63 | 666 |
| TRAILER ALLOWANCE..... | 38 | 2,646.19 | 101 | 32 | 2,701.76 | 86 | 30 | 2,758.50 | 83 | 30 | 2,816.42 | 84 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND... | 1,159 | 1,551.82 | 1,799 | 969 | 1,736.49 | 1,683 | 898 | 1,746.91 | 1,569 | 902 | 2,031.66 | 1,833 |
| - PORT HANDLING (MTMC)... | 1,159 | 371.51 | 431 | 969 | 349.22 | 338 | 898 | 369.12 | 331 | 902 | 364.69 | 329 |
| PORT HANDLING (HHG)..... | 21,978 | 45.91 | 1,009 | 18,370 | 43.15 | 793 | 17,039 | 45.61 | 777 | 17,105 | 45.06 | 771 |
| SUBTOTAL..... | | | \$ 31,108 | | | \$ 26,585 | | | \$ 25,143 | | | \$ 25,933 |
| CADETS..... | 228 | 307.20 | \$ 70 | 255 | 307.20 | \$ 78 | 255 | 307.20 | \$ 78 | 255 | 307.20 | \$ 78 |

PCS SEPARATION TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|---------------------------|----------------|----------|------------|------------------|----------|------------|------------------|----------|------------|------------------|----------|------------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL..... | 87,287 | 535.52 | \$ 46,744 | 86,697 | 545.19 | \$ 47,266 | 85,835 | 550.04 | \$ 47,213 | 85,026 | 555.09 | \$ 47,197 |
| DEPENDENT TRAVEL..... | 18,330 | 365.25 | 6,695 | 18,206 | 369.66 | 6,730 | 18,025 | 375.64 | 6,771 | 17,855 | 381.80 | 6,817 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| - LAND & ITGBL..... | 23,628 | 3,067.29 | 72,474 | 23,468 | 3,131.75 | 73,496 | 23,236 | 3,197.50 | 74,297 | 23,016 | 3,264.64 | 75,139 |
| - OVERSEAS..... | 6,819 | 524.27 | 3,575 | 6,773 | 549.83 | 3,724 | 6,706 | 571.88 | 3,835 | 6,642 | 614.57 | 4,082 |
| TRAILER ALLOWANCE..... | 262 | 2,646.19 | 693 | 260 | 2,701.76 | 702 | 258 | 2,758.50 | 712 | 255 | 2,816.42 | 718 |
| PRIVATELY OWNED VEHICLE | | | | | | | | | | | | |
| - MIL. SEALIFT COMMAND... | 4,364 | 1,551.82 | 6,772 | 4,335 | 1,736.49 | 7,528 | 4,292 | 1,746.91 | 7,498 | 4,251 | 2,031.66 | 8,637 |
| - PORT HANDLING (MTWC)... | 4,364 | 371.51 | 1,621 | 4,335 | 349.22 | 1,514 | 4,292 | 369.12 | 1,584 | 4,251 | 364.69 | 1,550 |
| PORT HANDLING (HHG)..... | 25,532 | 33.86 | 864 | 25,359 | 31.82 | 807 | 25,107 | 33.64 | 845 | 24,871 | 33.23 | 827 |
| SUBTOTAL..... | | | \$ 139,438 | | | \$ 141,767 | | | \$ 142,755 | | | \$ 144,967 |
| TOTAL PCS | | | | | | | | | | | | |
| SEPARATION TRAVEL..... | | | \$ 170,616 | | | \$ 168,430 | | | \$ 167,976 | | | \$ 170,978 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

ESTIMATE FY 1999
ESTIMATE FY 1998
ESTIMATE FY 1997
ACTUAL FY 1996

\$ 6,537
\$ 8,139
\$ 7,465
\$ 25,675

Project: Travel of Organized Units

Part I - Purpose and Scope

Officers. Covers PCS movements (CONUS or overseas), of (1) officers and warrant officers directed to move as members of an organized unit movement and (2) officer and warrant officer fillers and replacements directed to move as part of the unit move.

Enlisted. Covers PCS movements (CONUS or overseas), of (1) enlisted personnel directed to move as members of an organized unit movement and (2) enlisted fillers and replacements directed to move as part of the unit move.

Part II - Justification of Funds Requested

Unit moves are required to support changes in force structure that necessitate realignment of forces to correct imbalances of support/command/control units, and to maintain unit tactical integrity. The estimate is based on point-to-point unit moves. The number of units moves are cyclical as the Army repositions the force structure in response to an evolving global focus, and the fielding of new equipment/units.

FY98/99 Unit moves support Aviation force modernization, the Panama Implementation Treaty and Base Realignment and Closure initiatives.

Unit move rates increase due to inflation, pay raise, and expanded entitlements.

Detailed cost computations are provided by the following table:

PCS ORGANIZED UNIT TRAVEL
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICER | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | | | | | |
|--------------------------------------|----------------|-----------|------------------|--------|------------------|----------|------------------|-----------|----------|-------|-----------|----------|
| | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | NUMBER | RATE | AMOUNT | | | |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM.... | 1,025 | \$ 402.93 | \$ 413 | 185 | \$ 405.41 | \$ 75 | 175 | \$ 405.71 | \$ 71 | 185 | \$ 405.41 | \$ 75 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 800 | 332.50 | 266 | 144 | 333.33 | 48 | 137 | 335.77 | 46 | 144 | 333.33 | 48 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 810 | 5,575.31 | 4,516 | 146 | 5,691.78 | 831 | 138 | 5,811.59 | 802 | 146 | 5,931.51 | 866 |
| DISLOCATION ALLOWANCE..... | 820 | 1,396.18 | 1,145 | 148 | 1,755.66 | 260 | 140 | 1,895.06 | 265 | 148 | 1,948.12 | 288 |
| TRAILER ALLOWANCE..... | 8 | 2,646.19 | 21 | 1 | 2,701.76 | 3 | 1 | 2,758.50 | 3 | 1 | 2,816.42 | 3 |
| SUBTOTAL..... | | | \$ 6,361 | | | \$ 1,217 | | | \$ 1,187 | | | \$ 1,280 |
| ENLISTED | | | | | | | | | | | | |
| MEMBER TRAVEL | | | | | | | | | | | | |
| MILEAGE AND PER DIEM.... | 6,000 | \$ 352.50 | \$ 2,115 | 1,824 | \$ 356.36 | \$ 650 | 1,970 | \$ 356.35 | \$ 702 | 1,461 | \$ 356.61 | \$ 521 |
| DEPENDENT TRAVEL | | | | | | | | | | | | |
| MILEAGE DEPENDENTS..... | 3,660 | 332.51 | 1,217 | 1,113 | 332.43 | 370 | 1,202 | 332.78 | 400 | 891 | 332.21 | 296 |
| TRANSPORTATION OF HHG | | | | | | | | | | | | |
| LAND SHIPMENT..... | 3,720 | 3,262.10 | 12,135 | 1,131 | 3,330.68 | 3,767 | 1,221 | 3,400.49 | 4,152 | 906 | 3,472.41 | 3,146 |
| DISLOCATION ALLOWANCE..... | 3,780 | 977.31 | 3,694 | 1,149 | 1,228.94 | 1,412 | 1,241 | 1,326.52 | 1,646 | 920 | 1,363.66 | 1,255 |
| TRAILER ALLOWANCE..... | 58 | 2,646.19 | 153 | 18 | 2,701.76 | 49 | 19 | 2,758.50 | 52 | 14 | 2,816.42 | 39 |
| SUBTOTAL..... | | | \$ 19,314 | | | \$ 6,248 | | | \$ 6,952 | | | \$ 5,257 |
| TOTAL PCS ORGANIZED UNIT TRAVEL..... | | | \$ 25,675 | | | \$ 7,465 | | | \$ 8,139 | | | \$ 6,537 |

PCS - NON-TEMPORARY STORAGE
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 AMOUNT | ESTIMATE FY 1997 AMOUNT | ESTIMATE FY 1998 AMOUNT | ESTIMATE FY 1999 AMOUNT |
|-------------------------------------|--------------------------|----------------------------|----------------------------|----------------------------|
| NON-TEMPORARY STORAGE..... | \$ 22,610 | \$ 25,413 | \$ 25,236 | \$ 25,546 |
| TEMPORARY LODGING EXPENSE..... | 15,571 | 10,536 | 13,347 | 13,088 |
| TOTAL OBLIGATIONS..... | \$ 1,074,352 | \$ 1,064,245 | \$ 1,072,845 | \$ 1,096,609 |
| LESS: REIMBURSABLE OBLIGATIONS..... | 8,000 | 8,000 | 8,000 | 8,000 |
| TOTAL DIRECT OBLIGATIONS..... | \$ 1,066,352 | \$ 1,056,245 | \$ 1,064,845 | \$ 1,088,609 |

Section 4
Schedule of Increases and Decreases
(Amounts in Thousands of Dollars)

| | Amount |
|--|------------|
| Other Military Personnel Costs | |
| FY 1997 Direct Program | \$ 207,381 |
| Increases: | |
| a. Death Gratuities -- Increase in the number of Active Army deaths. | 24 |
| b. Apprehension of Deserters -- Manyear increases. | 119 |
| Total Increases: | \$ 143 |
| Decreases: | |
| a. Education benefits -- Trust Fund | -15,884 |
| Decreased rates. | |
| No liability payment amount received for Post Vietnam era separatees. | |
| Decrease in non-prior service mission. | |
| b. Unemployment Benefits | -11,800 |
| Reflect fewer unemployment compensation benefit recipients. | |
| c. Survivor Benefits | - 480 |
| Decreased payments based on latest Veterans Administration's projection. | |
| Total Decreases: | \$ -28,164 |
| FY 1998 Direct Program | \$ 179,360 |
| Increases: | |
| a. Unemployment Benefits | 2,959 |
| Expected increase in separations. | |
| b. Education Benefits -- Trust Fund. | 261 |
| Total Increases: | \$ 3,220 |
| Decreases: | |
| a. Manyear Decreases | -544 |
| Interest on Soldier Deposit. | |
| Survivor Benefit | |
| Apprehension of Deserters -- Manyear decrease. | |
| Total Decreases: | \$ -544 |
| FY 1999 Direct Program | \$ 182,036 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------|
| ESTIMATE FY 1999 | \$ 821 |
| ESTIMATE FY 1998 | \$ 822 |
| ESTIMATE FY 1997 | \$ 813 |
| ACTUAL FY 1996 | \$ 904 |

Project: Apprehension of Deserters

Part I - Purpose and Scope

The funds requested provide for expenses in connection with the apprehension of deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Included is the cost of detention and subsistence furnished during the period a military member is detained in civil confinement for safekeeping when so requested by military authority, cost of reimbursement for expenses incurred (not to exceed \$75.00 in either case), and cost of transportation, lodging, and subsistence of an escort guard.

Part II - Justification of Funds Requested

Cost estimates are based on factors developed from current expenditure experience as applied against programmed manyears.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
APPREHENSION OF DESERTERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--|----------------|------------------|------------------|------------------|
| TRAVEL AND OTHER EXPENSES INCIDENT TO THE APPREHENSION AND DELIVERY OF DESERTERS, PRISONERS AND SOLDIERS AWOL INCLUDING PAYMENT OF CONFINEMENT OF MILITARY PRISONERS IN NON-MILITARY FACILITIES..... | \$ 904 | \$ 813 | \$ 822 | \$ 821 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|----------|
| ESTIMATE FY 1999 | \$ 2,376 |
| ESTIMATE FY 1998 | \$ 2,376 |
| ESTIMATE FY 1997 | \$ 2,352 |
| ACTUAL FY 1996 | \$ 2,400 |

Project: Death Gratuities

Part I - Purpose and Scope

The funds requested are for the payment of death gratuities to beneficiaries of deceased military personnel as authorized by law. Death gratuities are composed of basic pay, incentive pay, and overseas pay, if applicable. The National Defense Authorization Act for FY92 and FY93, section 652, Amends Section 1478(a) of Title 10 U.S.C., increasing the maximum amount payable to \$6,000.

Part II - Justification of Funds Requested

Fund requirements are based on the most recent mortality rates as applied against programmed manyears of personnel and the statutory gratuity payment.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
DEATH GRATUITIES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|------------------|----------------|-------------|------------------|----------|------------------|-------------|------------------|----------|
| | NUMBER | RATE | NUMBER | AMOUNT | NUMBER | RATE | NUMBER | AMOUNT |
| DEATH GRATUITIES | | | | | | | | |
| OFFICER..... | 40 | \$ 6,000.00 | 39 | \$ 240 | 39 | \$ 6,000.00 | 39 | \$ 234 |
| ENLISTED..... | 352 | 6,000.00 | 345 | 2,112 | 349 | 6,000.00 | 349 | 2,094 |
| CADETS..... | 8 | 6,000.00 | 8 | 48 | 8 | 6,000.00 | 8 | 48 |
| TOTAL..... | 400 | | 392 | \$ 2,400 | 396 | | 396 | \$ 2,376 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|------------|
| ESTIMATE FY 1999 | \$ 115,073 |
| ESTIMATE FY 1998 | \$ 112,114 |
| ESTIMATE FY 1997 | \$ 123,914 |
| ACTUAL FY 1996 | \$ 125,399 |

Project: Unemployment Benefits Paid to Ex-Service Members

Part I - Purpose and Scope

Funds are to pay unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521(a) of Title 5, United States Code. The Department of Labor (DoL) is the executive agency for the program; however, program administration is accomplished by each state. Generally, eligibility is defined as active service in the Army whereupon service members were discharged under honorable conditions (and, if an officer, did not resign for the good of the service); and had completed their first full term of active service; or were discharged before completing their first term under an early release program, because of hardship, for medical reasons, for personal disorders, or inaptitude (but only if the service was continuous for 365 days or more).

The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) extended unemployment compensation benefits for former military personnel up to 26 weeks with a one-week waiting period as opposed to 13 weeks after a four-week wait. The law also reduced the amount of active duty in a reserve status from 180 continuous days to 90 continuous days necessary to be considered "federal service" for claim purposes.

Part II - Justification of Funds Requested

The estimated unemployment benefit payments are based on programmed separations from the Army's manpower program and average monthly benefit amounts of compensation from Department of Labor. An anticipated decrease in the number of losses as well as an expected decline in the number of weeks that an ex-service member will receive unemployment benefits, reduces the requirement by \$11.8 million from FY97 to FY98. The requirement reflects an increase of \$3.0 million from FY 98 to FY99 for anticipated increase in the number of separations.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-----------------------|----------------|------------|------------------|--------|------------------|---------|------------------|----------|
| | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE |
| UNEMPLOYMENT BENEFITS | | | | | | | | |
| OFFICER..... | | | | | | | | |
| ENLISTED..... | 38,775 | 3,234.01 | 125,399 | 38,353 | 3,230.88 | 123,914 | 33,759 | 3,321.02 |
| TOTAL..... | 38,775 | \$ 125,399 | \$ 123,914 | 33,759 | \$ 112,114 | 33,563 | 3,428.57 | 115,073 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|----------|
| ESTIMATE FY 1999 | \$ 6,440 |
| ESTIMATE FY 1998 | \$ 6,920 |
| ESTIMATE FY 1997 | \$ 7,400 |
| ACTUAL FY 1996 | \$ 9,062 |

Project: Survivor Benefits

Part I - Purpose and Scope

Funds are requested to provide for payments of restored social security benefits to widows and orphans of deceased Army military personnel. These benefits were withdrawn under Public Law 97-35, which terminated the "Mother's Milk Benefit" when the last child in custody of the surviving spouse reached age 16, rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-37 modified by Section 943 of the DOD Authorization Act, 1984, P.L. 98-94, Stat. 614, restored these Social Security benefits to survivors of military members and directed the Department of Defense to budget for this requirement.

Part II - Justification of Funds Requested

Cost estimates from the Department of Veterans Affairs are based on average benefit payments and caseload for spouses and children in school.

The latest Department of Veterans Affairs cost estimates are provided in the following table:

OTHER MILITARY PERSONNEL COSTS
SURVIVOR BENEFITS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | | | |
|----------------|------------------|------------------|------------------|
| ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
| \$ 9,062 | \$ 7,400 | \$ 6,920 | \$ 6,440 |

SURVIVOR BENEFIT COSTS.....

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------|
| ESTIMATE FY 1999 | \$ 380 |
| ESTIMATE FY 1998 | \$ 380 |
| ESTIMATE FY 1997 | \$ 380 |
| ACTUAL FY 1996 | \$ 382 |

Project: Adoption Costs

Part I - Purpose and Scope

Section 651 of the National Defense Authorization Act for FY92 and FY93 permanently established the adoption program to reimburse service members for adoption expenses of a child under the age of 18 years.

Part II - Justification of Funds Required

The average amount payable is \$2,000 per adoption. Expenses include public and private agency fees; legal fees; medical expenses associated with the child, biological mother, and adoptive parents; temporary foster care; and other expenses approved by the Department of Defense.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
ADOPTION EXPENSES
(AMOUNTS IN THOUSANDS OF DOLLARS)

| ADOPTION EXPENSES.... | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-----------------------|----------------|----------|------------------|--------|------------------|--------|------------------|--------|
| | NUMBER | RATE | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT |
| | 191 | 2,000.00 | 190 | \$ 382 | 190 | \$ 380 | 190 | \$ 380 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|--------|
| ESTIMATE FY 1999 | \$ 421 |
| ESTIMATE FY 1998 | \$ 484 |
| ESTIMATE FY 1997 | \$ 484 |
| ACTUAL FY 1996 | \$ 361 |

Project: Interest on Soldier's Deposit

Part I - Purpose and Scope

The National Defense Authorization Act for FY92 and FY93, Section 639 amends Section 1035 of Title 10 U.S.C. this section establishes a savings program for overseas members participating in temporary duty contingency operations. Precedence from Vietnam indicates that the Department of the Army will be required to fund the difference between ten percent paid and the average Treasury Bill rates.

Part II - Justification of Funds Requested

The amount budgeted is based on current experience in relation to the number of Army participants.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
INTEREST ON SOLDIERS' DEPOSIT
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|------------------------------------|----------------|--------|------------------|--------|------------------|--------|------------------|--------|
| | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE | NUMBER | RATE |
| INTEREST ON SOLDIERS' DEPOSIT..... | | | | | | | | |
| OFFICER..... | 553 | 283.00 | 156 | 283.00 | 200 | 283.00 | 602 | 283.00 |
| ENLISTED..... | 1,225 | 167.00 | 205 | 167.00 | 284 | 167.00 | 1,500 | 167.00 |
| TOTAL..... | 1,778 | \$ 361 | 2,405 | \$ 484 | 2,405 | \$ 484 | 2,102 | \$ 421 |

(AMOUNTS IN THOUSANDS OF DOLLARS)

| | |
|------------------|-----------|
| ESTIMATE FY 1999 | \$ 56,675 |
| ESTIMATE FY 1998 | \$ 56,414 |
| ESTIMATE FY 1997 | \$ 72,298 |
| ACTUAL FY 1996 | \$ 61,354 |

Project: Educational Benefits

Part I - Purpose and Scope

Funds are for the payment to the Department of Defense Educational Benefits Trust Fund. The Army College Fund is governed by Title 38 U.S.C., Chapter 30. The program will fund additional and supplemental benefit payments above a basic benefit to be budgeted by the Department of Veteran Affairs. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to individuals will be made by the Department of Veterans Affairs from funds transferred from the Trust Fund account.

Part II - Justification of Funds Requested

All individuals entering active duty after July 1, 1985 (including those in the Delayed Entry Program) except those who have received a commission from a service academy or completed an ROTC Scholarship Program are eligible to receive additional and supplemental educational assistance at the discretion of the Secretary of Defense unless they elect not to participate in the basic program.

The Board of Actuaries established new amortization rates for FY93-FY97, requiring the Army to begin making contributions into the Trust Fund, effective 1 October 92. Between FY97 and FY98, the estimate decreases by \$15.9 million due to reduced per capita rates, the absence of the liability payment amount, by the DoD Board of Actuaries, for Post-Vietnam Era Voluntary and Involuntary Separates, and a decrease in accessions. A slight increase of \$.3 million from FY98 to FY99 is due to anticipated amortization and liability payments to the Education Benefit trust fund.

Detailed cost computations are provided by the following table:

OTHER MILITARY PERSONNEL COSTS
EDUCATIONAL BENEFITS
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--|----------------|------------------|------------------|------------------|
| FOUR YEAR OBLIGATION..... | \$ 11,025 | \$ 13,791 | \$ 11,808 | \$ 11,642 |
| THREE YEAR OBLIGATION..... | 11,417 | 14,116 | 13,135 | 13,276 |
| TWO YEAR OBLIGATION..... | 8,786 | 9,178 | 8,275 | 8,512 |
| 2YR ACT/2YR SEL RES/4YR IND RDY RES..... | 6,862 | 6,770 | 5,796 | 5,845 |
| AMORTIZATION PAYMENTS | 23,264 | 28,443 | 17,400 | 17,400 |
| TOTAL EDUCATIONAL BENEFITS..... | \$ 61,354 | \$ 72,298 | \$ 56,414 | \$ 56,675 |
| TOTAL DIRECT OMPC OBLIGATION AMOUNTS.... | \$ 199,602 | \$ 207,381 | \$ 179,360 | \$ 182,036 |

Section 5
Military Personnel, Army
Defense Working Capital Funds (DWCF) Reimbursements
Introduction

The Defense Management Resource Decision (DMRD) 971 established the Defense Working Capital Funds (DWCF) (formerly the Defense Business Operations Fund (DBOF)) in order to expand the use of business like financial management practices. DWCF was initiated to improve the tools available to managers of the support establishment by collecting all costs related to goods and services, including military costs. Prior to DMRD 971 DWCF activities did not pay for the cost of military support. Reimbursements requested are for the cost of base pay and entitlements for military personnel assigned to DBOF activities.

Justification of Funds Requested

The estimated reimbursements are based on the Department of Under Secretary of Defense (Comptroller) guidance. Estimated manpower reflects the number of workyears for each DWCF business area.

Detailed cost by DWCF activity is provided by the following table:

SECTION 5
DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| OFFICERS | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|------------------|----------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|
| | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT |
| SUPPLY MGMT | 21 | \$ 1,423 | 6 | \$ 683 | 6 | \$ 467 | 6 | \$ 477 |
| DEPOT MAINT-ORD | 15 | 1,175 | 12 | 1,089 | 12 | 1,049 | 12 | 1,071 |
| DEPOT MAINT-OTH | 65 | 4,586 | 57 | 3,249 | 41 | 3,070 | 41 | 3,135 |
| AMC | 101 | 7,185 | 75 | 5,021 | 59 | 4,587 | 59 | 4,683 |
| USAISC SDC-WASHI | 50 | 2,942 | 24 | 1,482 | 16 | 1,098 | 16 | 1,122 |
| USAISC SDC-LEE | 0 | 0 | 30 | 2,165 | 21 | 1,581 | 18 | 1,387 |
| USAISC | 50 | 2,942 | 54 | 3,647 | 37 | 2,679 | 34 | 2,509 |
| ICP's | 103 | 8,164 | 103 | 8,336 | 95 | 8,000 | 95 | 8,134 |
| DRMS | 3 | 243 | 2 | 160 | 3 | 262 | 3 | 267 |
| INFO SERVICES | 2 | 155 | 2 | 188 | 2 | 167 | 2 | 171 |
| DEPOTS | 33 | 2,696 | 38 | 2,955 | 40 | 3,504 | 40 | 3,945 |
| DLA | 141 | 11,257 | 145 | 11,639 | 140 | 11,933 | 140 | 12,518 |
| DFAS | 48 | 3,659 | 55 | 4,180 | 56 | 4,497 | 56 | 4,587 |
| DECA | 9 | 769 | 9 | 619 | 9 | 492 | 9 | 502 |
| DECCO | 3 | 226 | 3 | 147 | 0 | 0 | 0 | 0 |
| DISO | 16 | 1,283 | 16 | 1,246 | 0 | 0 | 0 | 0 |
| DISA | 19 | 1,510 | 19 | 1,393 | 0 | 0 | 0 | 0 |
| JLSC | 2 | 183 | 2 | 160 | 2 | 197 | 2 | 201 |
| MTMC | 117 | 8,941 | 108 | 8,829 | 67 | 5,652 | 65 | 5,607 |
| DEFENSE COURIER | 12 | 754 | 12 | 777 | 7 | 465 | 7 | 475 |
| TRANSCOM | 69 | 5,496 | 69 | 5,680 | 69 | 5,943 | 69 | 6,067 |
| TOTAL TRANSCOM | 198 | 15,190 | 189 | 15,286 | 143 | 12,059 | 141 | 12,150 |
| TOTAL | 568 | \$ 42,694 | 548 | \$ 41,944 | 446 | \$ 36,444 | 441 | \$ 37,150 |

SECTION 5
DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

ENLISTED

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|-------------------|----------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|
| | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT |
| SUPPLY MGMT | 31 | \$ 884 | 9 | \$ 299 | 9 | \$ 295 | 9 | \$ 301 |
| DEPOT MAINT-ORD | 10 | 302 | 11 | 324 | 11 | 367 | 11 | 374 |
| DEPOT MAINT-OTH | 160 | 3,970 | 71 | 2,006 | 48 | 1,455 | 48 | 1,486 |
| AMC | 201 | 5,157 | 91 | 2,629 | 68 | 2,117 | 68 | 2,162 |
| USAI SC SDC-WASHI | 168 | 4,161 | 39 | 1,011 | 37 | 1,005 | 37 | 1,028 |
| USAI SC SDC-LEE | 0 | 0 | 165 | 3,916 | 145 | 4,019 | 145 | 4,109 |
| USAI SC | 168 | 4,161 | 204 | 4,927 | 182 | 5,024 | 182 | 5,137 |
| ICP's | 52 | 1,567 | 52 | 0 | 50 | 1,230 | 50 | 1,664 |
| DRMS | 22 | 658 | 23 | 825 | 24 | 765 | 24 | 781 |
| INFO SERVICES | 0 | 0 | 0 | 1,393 | 0 | 0 | 0 | 0 |
| DEPOTS | 27 | 812 | 36 | 1,134 | 35 | 1,113 | 35 | 1,137 |
| DLA | 101 | 3,037 | 111 | 3,352 | 109 | 3,109 | 109 | 3,582 |
| DFAS | 513 | 13,428 | 447 | 12,101 | 495 | 11,303 | 495 | 11,038 |
| DECA | 13 | 389 | 2 | 67 | 1 | 40 | 1 | 41 |
| DECCO | 12 | 345 | 12 | 262 | 9 | 274 | 9 | 280 |
| DISO | 65 | 1,734 | 64 | 1,749 | 69 | 2,626 | 69 | 2,720 |
| DISA | 77 | 2,079 | 76 | 2,011 | 78 | 2,900 | 78 | 3,000 |
| JLSC | 0 | 0 | 1 | 28 | 0 | 0 | 0 | 0 |
| MTMC | 147 | 4,102 | 144 | 4,338 | 72 | 4,225 | 71 | 4,243 |
| DEFENSE COURIER | 19 | 525 | 98 | 2,874 | 14 | 1,179 | 14 | 930 |
| TRANSCOM | 35 | 960 | 35 | 990 | 35 | 1,036 | 35 | 1,058 |
| TOTAL TRANSCOM | 201 | 5,586 | 277 | 8,202 | 121 | 6,440 | 120 | 6,231 |
| TOTAL | 1,274 | \$ 33,837 | 1,209 | \$ 33,317 | 1,054 | \$ 30,933 | 1,053 | \$ 31,191 |

SECTION 5
DEFENSE WORKING CAPITAL FUNDS REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | | ESTIMATE FY 1997 | | ESTIMATE FY 1998 | | ESTIMATE FY 1999 | |
|------------------|----------------|-----------|------------------|-----------|------------------|-----------|------------------|-----------|
| | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT | NUMBER | AMOUNT |
| TOTAL | | | | | | | | |
| SUPPLY MGMT | 52 | \$ 2,307 | 15 | \$ 982 | 15 | \$ 763 | 15 | \$ 779 |
| DEPOT MAINT-ORD | 25 | 1,478 | 23 | 1,413 | 23 | 1,416 | 23 | 1,445 |
| DEPOT MAINT-OTH | 225 | 8,557 | 128 | 5,255 | 89 | 4,526 | 89 | 4,621 |
| AMC | 302 | 12,342 | 166 | 7,650 | 127 | 6,704 | 127 | 6,845 |
| USAISC SDC-WASHI | 218 | 7,103 | 63 | 2,493 | 53 | 2,103 | 53 | 2,150 |
| USAISC SDC-LEE | 0 | 0 | 195 | 6,081 | 166 | 5,600 | 163 | 5,496 |
| USAISC | 218 | 7,103 | 258 | 8,574 | 219 | 7,703 | 216 | 7,647 |
| ICP's | 155 | 9,731 | 155 | 8,336 | 145 | 9,230 | 145 | 9,798 |
| DRMS | 25 | 900 | 25 | 985 | 27 | 1,027 | 27 | 1,048 |
| INFO SERVICES | 2 | 155 | 2 | 1,581 | 2 | 167 | 2 | 171 |
| DEPOTS | 60 | 3,508 | 74 | 4,089 | 75 | 4,617 | 75 | 5,082 |
| DLA | 242 | 14,294 | 256 | 14,991 | 249 | 15,041 | 249 | 16,100 |
| DFAS | 561 | 17,086 | 502 | 16,282 | 551 | 15,800 | 551 | 15,625 |
| DECA | 22 | 1,158 | 11 | 685 | 10 | 532 | 10 | 543 |
| DECCO | 15 | 571 | 15 | 409 | 9 | 274 | 9 | 280 |
| DISO | 81 | 3,017 | 80 | 2,995 | 69 | 2,626 | 69 | 2,720 |
| DISA | 96 | 3,588 | 95 | 3,404 | 78 | 2,900 | 78 | 3,000 |
| JLSC | 2 | 183 | 3 | 188 | 2 | 197 | 2 | 201 |
| MTMC | 264 | 13,042 | 252 | 13,167 | 139 | 9,877 | 136 | 9,850 |
| DEFENSE COURIER | 31 | 1,279 | 110 | 3,652 | 21 | 1,644 | 21 | 1,405 |
| TRANSCOM | 104 | 6,456 | 104 | 6,669 | 104 | 6,979 | 104 | 7,125 |
| TOTAL TRANSCOM | 399 | 20,777 | 466 | 23,488 | 264 | 18,500 | 261 | 18,381 |
| TOTAL | 1,842 | \$ 76,531 | 1,757 | \$ 75,261 | 1,500 | \$ 67,377 | 1,494 | \$ 68,341 |

SECTION 5
SCHEDULE OF MILITARY PERSONNEL ASSIGNED OUTSIDE DOD

| | ACTUAL FY 1996 | | | ESTIMATE FY 1997 | | | ESTIMATE FY 1998 | | | ESTIMATE FY 1999 | | |
|--|----------------|----------|-------|------------------|----------|-------|------------------|----------|-------|------------------|----------|-------|
| | OFFICER | ENLISTED | TOTAL | OFFICER | ENLISTED | TOTAL | OFFICER | ENLISTED | TOTAL | OFFICER | ENLISTED | TOTAL |
| ASSIGNED TO DOD IN SUPPORT OF NON-DOD FUNCTIONS | | | | | | | | | | | | |
| REIMBURSABLE: | | | | | | | | | | | | |
| FOREIGN MILITARY SALES..... | 311 | 230 | 541 | 302 | 230 | 532 | 302 | 230 | 532 | 298 | 230 | 528 |
| MILITARY ASSIST PROGRAM..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DEFENSE WORKING CAPITAL FUN | 568 | 1,274 | 1,842 | 548 | 1,209 | 1,757 | 446 | 1,054 | 1,500 | 441 | 1,053 | 1,494 |
| TOTAL OTHER..... | 879 | 1,504 | 2,383 | 850 | 1,439 | 2,289 | 748 | 1,284 | 2,032 | 739 | 1,283 | 2,022 |
| TOTAL NONREIMBURSABLE..... | 89 | 21 | 110 | 89 | 21 | 110 | 97 | 14 | 111 | 97 | 6 | 103 |
| TOTAL REIMBURSABLE..... | 58 | 42 | 100 | 55 | 10 | 65 | 51 | 10 | 61 | 55 | 9 | 64 |
| GRAND TOTAL..... | 1,026 | 1,567 | 2,593 | 994 | 1,470 | 2,464 | 896 | 1,308 | 2,204 | 891 | 1,298 | 2,189 |

SECTION 5 - REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|-------------------------------|----------------|------------------|------------------|------------------|
| FOREIGN MILITARY SALES..... | \$ 19,392 | \$ 21,980 | \$ 24,980 | \$ 25,209 |
| TRAINING..... | 6,550 | 9,000 | 11,000 | 11,000 |
| PCS TRAVEL..... | 7,580 | 7,580 | 7,580 | 7,580 |
| ADMINISTRATIVE SURCHARGE..... | 5,262 | 5,400 | 6,400 | 6,629 |
| OTHER NON-STRENGTH..... | \$ 510 | \$ 57,508 | \$ 58,823 | \$ 60,284 |
| SUBSISTENCE IN KIND..... | 0 | 56,998 | 58,423 | 59,884 |
| CLOTHING..... | 250 | 250 | 250 | 250 |
| OTHER MILITARY COSTS..... | 260 | 260 | 150 | 150 |
| STRENGTH RELATED..... | \$ 141,958 | \$ 127,812 | \$ 123,264 | \$ 128,097 |
| OFFICER..... | 86,315 | 80,000 | 76,025 | 79,177 |
| ENLISTED..... | 55,223 | 47,392 | 46,819 | 48,500 |
| PCS TRAVEL..... | 420 | 420 | 420 | 420 |
| TOTAL PROGRAM..... | \$ 161,860 | \$ 207,300 | \$ 207,067 | \$ 213,590 |

SECTION 5 - REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--------------------------------------|----------------|------------------|------------------|------------------|
| STRENGTH RELATED..... | \$ 141,538 | \$ 127,392 | \$ 122,844 | \$ 127,677 |
| TOTAL END STRENGTH..... | 2,483 | 2,354 | 2,092 | 2,087 |
| ENLISTED..... | 1,546 | 1,449 | 1,293 | 1,292 |
| OFFICER..... | 937 | 905 | 799 | 795 |
| TOTAL MANYEARS..... | 2,471 | 2,362 | 2,091 | 2,088 |
| ENLISTED..... | 1,540 | 1,454 | 1,293 | 1,292 |
| OFFICER..... | 931 | 908 | 798 | 796 |
| FEDERAL AGENCIES | | | | |
| OFFICER..... | \$ 6,547 | \$ 5,708 | \$ 5,622 | \$ 6,393 |
| END STRENGTH..... | 58 | 55 | 51 | 55 |
| MANYEARS..... | 56 | 54 | 50 | 54 |
| ENLISTED..... | \$ 3,531 | \$ 862 | \$ 598 | \$ 652 |
| END STRENGTH..... | 42 | 10 | 9 | 9 |
| MANYEARS..... | 41 | 15 | 9 | 9 |
| TOTAL..... | \$ 10,078 | \$ 6,570 | \$ 6,220 | \$ 7,045 |
| END STRENGTH..... | 100 | 65 | 60 | 64 |
| MANYEARS..... | 97 | 69 | 59 | 63 |
| MAAGS, MISSIONS, AND MILITARY GROUPS | | | | |
| OFFICER..... | \$ 35,890 | \$ 32,348 | \$ 33,959 | \$ 35,635 |
| END STRENGTH..... | 311 | 302 | 302 | 299 |
| MANYEARS..... | 307 | 306 | 302 | 301 |
| ENLISTED..... | \$ 19,377 | \$ 13,213 | \$ 15,288 | \$ 16,657 |
| END STRENGTH..... | 230 | 230 | 230 | 230 |
| MANYEARS..... | 225 | 230 | 230 | 230 |
| TOTAL..... | \$ 55,267 | \$ 45,561 | \$ 49,247 | \$ 52,292 |
| END STRENGTH..... | 541 | 532 | 532 | 529 |
| MANYEARS..... | 532 | 536 | 532 | 531 |

SECTION 5 - REIMBURSABLE PROGRAM
(AMOUNTS IN THOUSANDS OF DOLLARS)

| DEFENSE WORKING CAPITAL FUNDS (DWCF) | ACTUAL FY 1996 | ESTIMATE FY 1997 | ESTIMATE FY 1998 | ESTIMATE FY 1999 |
|--------------------------------------|----------------|------------------|------------------|------------------|
| OFFICER..... | \$ 43,878 | \$ 41,944 | \$ 36,444 | \$ 37,149 |
| END STRENGTH..... | 568 | 548 | 446 | 441 |
| MANYEARS..... | 568 | 548 | 446 | 441 |
| ENLISTED..... | \$ 32,315 | \$ 33,317 | \$ 30,933 | \$ 31,191 |
| END STRENGTH..... | 1,274 | 1,209 | 1,054 | 1,053 |
| MANYEARS..... | 1,274 | 1,209 | 1,054 | 1,053 |
| TOTAL..... | \$ 76,193 | \$ 75,261 | \$ 67,377 | \$ 68,340 |
| END STRENGTH..... | 1,842 | 1,757 | 1,500 | 1,494 |
| MANYEARS..... | 1,842 | 1,757 | 1,500 | 1,494 |

THIS BUDGET INCLUDES SUPPORT IN THE FORM OF PAY AND ALLOWANCE COSTS FOR ACTIVE MILITARY PERSONNEL ASSOCIATED WITH COUNTERTERRORISM ACTIVITIES AS FOLLOWS:

| MPA FUNDING SUMMARY (\$millions) | FY96 | FY97 | FY98 | FY99 |
|---|---------|---------|---------|---------|
| BUDGET ACTIVITY 1: P&A, OFFICER | 154.8 | 157.0 | 158.9 | 162.6 |
| BUDGET ACTIVITY 2: P&A, ENLISTED | 239.9 | 238.4 | 237.9 | 239.9 |
| BUDGET ACTIVITY 4: ENLISTED SUBSISTENCE | 15.1 | 15.2 | 15.3 | 15.4 |
| BUDGET ACTIVITY 5: PCS | 24.8 | 23.8 | 23.6 | 24.0 |
| TOTAL | \$409.9 | \$410.7 | \$412.2 | \$418.0 |
| ACTIVE MILITARY END STRENGTH (Total) | 10,963 | 10,771 | 10,610 | 10,514 |
| Officer | 2,423 | 2,391 | 2,371 | 2,358 |
| Enlisted | 8,540 | 8,380 | 8,239 | 8,156 |
| ACTIVE MILITARY MANYEARS (Total) | 10,963 | 10,771 | 10,610 | 10,514 |
| Officer | 2,423 | 2,391 | 2,371 | 2,358 |
| Enlisted | 8,540 | 8,380 | 8,239 | 8,156 |